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DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

I
THE SOCIAL ECONOMY EXHIBIT
AT THE
PARIS EXPOSITION OF 1900

BY
RICHARD WATERMAN JR
*Of Department of Education and Social Economy for the United States Commission
to the Paris Exposition of 1900*

THIS MONOGRAPH IS CONTRIBUTED TO THE UNITED STATES SOCIAL ECONOMY EXHIBIT
BY THE COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

Director
HOWARD J. ROGERS, Albany, N. Y.

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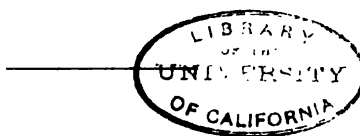
ASSOCIATE EDITOR
RICHARD WATERMAN JR

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THE SOCIAL ECONOMY EXHIBIT
AT THE
PARIS EXPOSITION OF 1900

BY

RICHARD WATERMAN JR

AN INTRODUCTION TO A SERIES OF MONOGRAPHS
ON AMERICAN SOCIAL ECONOMICS

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THE SOCIAL ECONOMY EXHIBIT AT THE PARIS EXPOSITION OF 1900

PREFACE

The following discussion of the plans for the social economy exhibit at the Paris exposition of 1900 is the introduction to a series of monographs on American social economics. The entire series will be used as a basis for illustration in preparing the social economy exhibit for Paris, and will be published under the authority of the United States Commission in time for the exposition.

This introductory monograph is divided into three distinct parts:

I A chapter intended to show by means of a few typical illustrations that international expositions are a powerful factor in social economic progress.

II A chapter tracing the history of the social economy group to its origin in the classification of the Paris exposition of 1855, presenting some of the salient characteristics of the exhibits in this group in 1855 and at later expositions, and closing with an account of the plans for the social economy exhibit at the Paris exposition of 1900.

III A chapter containing a brief introduction to American social economics. This chapter has been prepared with two purposes in view: 1) to present an outline of the systematic classification which has been used in collecting the social economy exhibit; and 2) to present an outline of the plan for the series of social economy monographs.

The Commissioner General for the United States is deeply interested in the social economy group, and has authorized the Department of Education and Social Economy to prepare an exhibit which shall be worthy of comparison with similar exhibits shown by other great nations. He realizes the truth of the statement made by M. Picard, the French commissioner general, that the social economy group "represents the resultant, and at the same time states the philosophy, of the great

forces of production " which appear in all of the other groups, and he intends to make this exhibit one of the most interesting features of the entire American section, using it to bind together the exhibits displayed in other groups, thus bringing them into the proper perspective. The officers of the Department have adopted the following plan for preparing the exhibit: 1) to edit and publish for judicious distribution to exposition visitors a series of monographs, each containing a brief systematic account of the institutions and movements which should be represented in the social economy exhibit; 2) to use each of these monographs as the basis for an exhibit containing typical illustrations of the statements made; and 3) to include in this exhibit documents, maps and statistical charts and summaries, and also photographs, transparencies, lantern slides and other attractive forms of illustrative material, so as to interest not only social economy experts and members of the international jury of awards, but those exposition visitors who belong to the general public.

In arranging and cataloging these exhibits, the Department has followed closely the official French classification. In collecting them, however, the officers of the Department have found it necessary to use a scheme of classification that would conform more closely to the usual American grouping of the social economic elements. Accordingly, they have rearranged the contents of the French classification, condensed some parts and expanded others, and formulated a new classification, of which a synopsis is printed for reference in appendix A at the close of this monograph.

In accordance with this plan, the social economy exhibits are grouped under four main heads: 1) the country; 2) the people; 3) the social economic institutions and 4) movements for improving social and industrial conditions. These four groups are discussed at some length in chapter III of this monograph, and each will be used as the subject of one or more separate monographs in the series.

RICHARD WATERMAN JR

Albany September 27, 1899

I THE INTERNATIONAL EXPOSITION AS A SOCIAL ECONOMIC FACTOR

The modern international exposition is a powerful factor in social and economic progress. It stimulates invention, encourages industrial enterprise, and promotes international commerce. It brings before the nations of the world a picture of the world's progress in art, in education and in every important field of social economic activity.

The first great international exposition was held in London in 1851. Previous to that time the doctrines of the "mercantile system" of economics were very generally accepted and many statesmen believed that when two nations engaged in extensive international commerce, gain to one must of necessity result in loss to the other. For this reason the leaders in nearly every European country had no desire to arrange for an international division of labor or for any considerable international commerce. They were perfectly willing, however, to follow the example which had been set by their predecessors since the time of Charlemagne, and to hold great national fairs each year, where merchants might gather from all parts of the country and sell their goods; and after the close of the 18th century they began to hold national expositions for the purpose of displaying objects illustrating the latest advances in science, industry and art; but as these expositions were intended to promote purely national interests, they did not allow any foreign nations to participate.

It was very unexpected, therefore, when Albert, the English Prince Consort, invited all of the nations of the world to take part in a great industrial exhibition to be held in London in 1851. Prince Albert had from the first a prophetic consciousness of what this exhibition might mean in advancing the interests of England and other countries, and the results achieved entirely justified his expectations. His invitation was accepted by nearly all of the great nations of Europe,

Asia and America, and before the exhibition closed it was acknowledged by all to be a splendid success. It opened a new era in the history of international relations. The old mercantile theory was completely disproved, and international commerce received an immediate and powerful stimulus.

Other nations soon followed the example of England, and similar expositions were held in New York in 1853; Paris in 1855; London in 1862; Paris in 1867; Vienna in 1873; Philadelphia in 1876; Paris in 1878; Melbourne in 1884; New Orleans in 1885; Paris in 1889; and Chicago in 1893. In every case these expositions exerted an important influence on social and economic progress. A few typical examples may serve to illustrate this statement.

In 1851 the English were greatly impressed by the artistic excellence of the French exhibits shown in London. It was clear that if they desired to compete successfully with France they must encourage the teaching of industrial art. Under the leadership of the Prince Consort, they secured many of the exhibition collections, and with these as a nucleus established the South Kensington museum. Additional exhibits have since been secured at various international expositions and from many other sources, and to-day the South Kensington museum, with its splendid collections, its schools of industrial art and its branches in all parts of the United Kingdom, is one of the strongest forces in English industrial life.

In 1851 the American machinery displayed in London attracted wide-spread attention among the European peoples. Yankee ingenuity had developed, in the fields of agriculture and manufactures, a great many labor-saving devices, which were at that time practically unknown on the continent. Many of those which were displayed in London brought immediate orders to their manufacturers, and since that time each great exposition has resulted in a further expansion of the world market for American machinery. The social economic result of exhibiting American machinery at foreign expositions has therefore been two-fold: it has contributed to the growth of

an important group of American industries, and it has profoundly influenced the social and economic life of the foreign countries into which the machinery was introduced.

In 1876 Russia taught the United States the value of laboratory methods in the training of engineers. Previous to that time American engineering schools had first instructed their students in scientific theory and then sent them into the factories and shops to learn the practice before entering upon their professional career. A great deal of time was thus wasted in doing work which was merely mechanical and added nothing to the knowledge or the experience of the student. At the Philadelphia centennial Russia displayed exhibits representing the work of the imperial technical schools at Moscow and St Petersburg, and showing that in the training given at both of these institutions mechanical laboratories played an important part. Shops for wood-working, forging, casting and metal-working enabled students to gain a knowledge of actual industrial methods, and even to develop a fair degree of manual dexterity during the time of their engineering course. President Runkle of the Massachusetts institute of technology saw this exhibit in Philadelphia and realized the importance of the idea which it represented. He secured it, placed it on exhibition in Boston, and within a short time succeeded in developing in his own institution a series of mechanical laboratories along the Russian lines. The presidents of other great engineering schools followed his example; the movement spread to private secondary schools, then to public high schools, and finally to public elementary schools; and to-day there are towns in the United States where all of the children, both boys and girls, commence with constructive work in the kindergarten and continue with some form of manual training as a part of their regular course of study in each year of school life. The centennial was thus directly responsible for launching the manual training movement.

At the Columbian exposition in 1893 Philadelphia secured the material with which to establish the Philadelphia com-

mercial museum, an institution which is now truly international in scope and exerts a very strong influence in promoting commercial relations between the United States and the leading foreign countries. The inception of this great undertaking was a very modest one. In September 1893, Dr William P. Wilson of the University of Pennsylvania was authorized by the city of Philadelphia to secure material for a system of municipal museums. He at once entered into direct relations with the foreign commissioners to the exposition and also with the governments which they represented, and before the exposition closed he had secured, partly in the form of gifts and partly through purchase, a splendid collection of material. He returned to Philadelphia, and with the cooperation of Provost William Pepper and the leading manufacturers and business men of that city, he launched a movement which resulted six months later in the establishment of a great system of commercial, educational and natural history museums, of which he became the director. In the five years which have elapsed since that time he has achieved truly marvelous results. The great mass of disorganized exhibits representing the natural resources and the manufactured products of nearly every country in Europe and America, has been sifted, arranged and interpreted by competent scientific experts. Manufacturers' associations and chambers of commerce in all parts of the United States and in nearly every foreign country have entered into direct relations with the museum because of the practical assistance it can give them in accomplishing the aims for which they are organized. The state department in Washington has instructed the United States consuls abroad to report directly to the Philadelphia museum on some of the most important commercial questions. Special representatives have been sent to all parts of the world to gather information and material. The city of Philadelphia, the state of Pennsylvania and the national government in Washington have all made generous appropriations for the support of this great institution.

The leading countries of Europe and America already recognize that the Philadelphia museum is a strong force in promoting foreign commerce, and Germany proposes to follow the American example and establish in Berlin a similar institution under imperial auspices. Could any one ask for a more striking illustration of the social economic results achieved by international expositions than is furnished by the foundation and growth of this great commercial museum?

The Paris exposition of 1900 is certain to exert a stronger influence on social economic progress than any of its predecessors. It will provide not only for the usual exhibits of art and industry, but also for an exhibit of social economy, which will bind together all of the objects displayed in other groups and bring them into proper perspective; and for a series of international congresses, which will serve to still further interpret their meaning. The official classification of exhibits which has been formulated with great care by the French exposition authorities gives special prominence to the social economy group. It may be well, however, before discussing in detail the social economy classification, to present a general statement in regard to the classification for the entire exposition. This has been summed up by M. Picard, the French commissioner general, in the following words:

"At the head stand education and instruction, because through them man enters into life. They are also the origin of all progress. Immediately after come works of art, those products of genius for which should be reserved the place of honor. Similar motives have caused the third place to be given to appliances and general processes relating to literature, science and the arts.

"Then come the great factors in contemporary production, the most powerful agents in the industrial situation at the end of the 19th century: material and general processes relating to mechanics, electricity, civil engineering and transportation.

"Then one passes to the working of the soil and its surface

and underground products: agriculture, horticulture, forestry, hunting, fishing, the gathering of wild products, food stuffs, mining and metallurgy.

"Further on are the decoration and furnishing of public buildings and dwellings; threads, textile fabrics and clothing; chemical industries; and diversified industries.

"Social economy, for which have been reserved developments worthy of its present importance, should naturally follow the different branches of production — artistic, agricultural and industrial — since it represents their resultant and at the same time states their philosophy. In accordance with views expressed by two very eminent authorities, M. Leon Say and Dr Brouardel, we have added to this group hygiene, which safeguards the health of man, and charities, which come to the assistance of those who have been disinherited by fortune.

"A new group has been reserved for the moral and material aspects of colonization. Its creation is amply justified by the need for colonial expansion which is felt by all civilized peoples. Finally, the series closes with the group for armies on land and sea whose glorious mission it is to guarantee safety and defend the property gained in peaceful occupations."

II ORIGIN AND DEVELOPMENT OF THE SOCIAL ECONOMY GROUP

M. Picard's broad conception of the function of a social economy exhibit, namely, that it "represents the resultant and at the same time states the philosophy, of the great forces of production" represented in all of the other groups, is the product of nearly half a century of French exposition experience. It appeared in embryo at the Paris exposition of 1855, where two eminent French economists, MM. LePlay and Chevalier, were prominent members of the imperial commission. LePlay was intrusted with the organization of the entire exposition. In his official classification of exhibits he included a class for "products of domestic economy"

by which he meant those articles of food, clothing and household furniture which were worthy of special recognition because they would satisfy at a very moderate price the real needs of the people.

M. Chevalier was president of the jury of awards for this new class. In nearly every instance the articles for which awards were given had been manufactured for the avowed purpose of improving the condition of the masses by reducing the price of necessary commodities. One of the most significant exhibits displayed in this section was a series of drawings and plans representing the homes erected for workingmen by the "Société des Cités Ouvrières de Mulhouse" in Alsace. The jury voted this society a grand medal of honor in recognition of its successful efforts to improve the social condition of workingmen.

At the London exhibition of 1862 the official classification did not provide for a social economy exhibit, but LePlay, who was commissioner general for France on this occasion, and Chevalier, who was president of the French section of the international jury of awards, both took a keen interest in the social economic aspects of other groups, and in their official reports they confined their attention almost entirely to this phase of the exposition.

At the Paris exposition of 1867 social economy for the first time occupied a prominent place in the official classification. LePlay, who was appointed commissioner general by the emperor Louis Napoleon, determined to emphasize the social economic aspects of this exposition by installing as a separate group "objects shown with a view to improving the physical and moral condition of the people," and by creating a special system of awards in recognition of "localities or establishments which have developed harmony between persons cooperating in the same work and have assured for workingmen a greater degree of material, intellectual and moral well being."

In the new group LePlay included : 1) educational institu-

- ✓ 1) institutions of every grade, especially those intended to prepare children or adults for special fields of industrial or commercial activity; 2) articles manufactured with a view to providing workingmen and people of moderate means with comfortable homes, nourishing food and proper clothing at very moderate prices; and 3) documents presenting the plans, methods and results of efforts to improve the social and economic condition of workingmen.

In the official reports of the jury of awards, M. Le Roux, the reporter for the new group, says: "It is the first time that after having brought to light the merits of production and crowned with honor the marvels of industry and agriculture, an exposition commission has desired to find out whether the physical, intellectual and moral well being of all who have cooperated in these industrial activities has advanced at the same rate; and whether the magnificent development of our time along practical lines has for a solid foundation the amelioration of life conditions, the elevation of intelligence and the existence of harmony between employers and workingmen."

In making awards the international jury for this new group aimed to give especial recognition to institutions and movements possessing the following characteristics:

- 1) Institutions for preventing improvidence and relieving destitution;
- 2) institutions for preventing vice;
- 3) institutions for improving moral and intellectual conditions;
- 4) arrangement of work and wages tending to improve the condition of workingmen;
- 5) subventions tending to give stability to the condition of workingmen;
- 6) formation of habits of thrift;
- 7) harmony between persons who are working together;
- 8) permanency of cordial relations between persons who are working together;
- 9) close relations between agriculture and manufactures;
- 10) ownership and permanency of workingmen's homes;
- 11) respect shown for the moral character of young girls;
- 12) respect shown for the moral character of the mothers of families; and
- 13)

other meritorious features, such as the encouragement of a religious spirit, solicitude of an employer for the health of his employees, and efforts on the part of the employer to advance the interests of the community in which his establishment is located.

Sixteen countries of North and South America and Europe were represented in the social economy group. The jury awarded 13 prizes and 24 honorable mentions, and made special reference in its report to a considerable number of institutions and movements in all parts of the world which were worthy of special recognition but could not be given an award.

One of the institutions which received the highest prize given was the Pacific mills at Lawrence, Mass., where the proprietor, Mr William Chapin, had commenced in 1853 to develop a model industrial community. The jury report calls special attention to the methods by which this company encouraged the employees, both men and women, to save and invest their money; to purchase homes; to buy an interest in the business; to elect from their own number each year representatives authorized to take an active part in conducting the business; to establish a mutual benefit society, a free library and a lecture club; and to establish boarding houses for the young women employed in the establishment.

Another American institution which received an award in 1867 was the Agricultural colony at Vineland, N. J., to which the international jury gave an honorable mention because by means of careful supervision its leaders had developed a cordial spirit of cooperation among the colonists and had helped them to increase their material prosperity and at the same time advance their moral and intellectual welfare.

At the Paris exposition of 1878 social economy exhibits were not assigned to a separate group, but were distributed in all parts of the exposition grounds and used as an aid to the interpretation of commercial and industrial exhibits.

It is evident, however, that the French authorities did not regard this policy with favor for in 1889 after a careful study

of both plans for installing these exhibits they again made social economy a separate group in the official classification. Before the exposition opened they conducted an elaborate investigation extending over a period of two years in order to collect the documents and the various forms of illustrative material which would represent the social economic institutions of France and the French movements for improving social and industrial conditions. These collections were displayed in the social economy section and were supplemented by a large amount of valuable material sent by various foreign nations. The exhibits were reviewed by international juries composed almost entirely of eminent statesmen, economists and university teachers.

After the exposition closed many of the social economy exhibits were retained in Paris and used as the nucleus for a permanent social museum. This institution, the Musee Social, has since been richly endowed by the Comte de Chambrun and other wealthy Frenchmen, and has secured many additional exhibits from all parts of the world. It has gained recognition as one of the strongest forces in France for improving social and industrial conditions.

At the Columbian exposition in 1893 the social economic exhibits were arranged in seven distinct groups: 1) government and law; 2) commerce, trade and banking; 3) social, industrial and cooperative associations; 4) institutions for the increase and diffusion of knowledge; 5) religious organizations and systems; 6) charities and correction; and 7) physical development, hygiene and sanitation. These groups contained many interesting exhibits and were a constant source of information and suggestion not only to the experts who visited Chicago, but also to the general exposition public.

At the Paris exposition of 1900 the social economy exhibit will be made a more important feature than at any previous exposition. It will constitute a distinct group in the official classification, and will be installed in a separate building erected for the purpose on the banks of the river Seine. The

first floor of this building will be devoted entirely to the social economy exhibit, and the second to a large number of halls and assembly rooms in which will be held a series of international congresses where the leaders in every field of thought and of action can meet for conference and discussion.

M. Jules Siegfried, the president of the French committee for the social economy group, is a member of the French senate and a prominent leader in movements for improving social and industrial conditions in France. In an article published in the "Moniteur des Expositions" for June 1899, M. Siegfried discussed the plans for the social economy exhibit in the following words: "The universal exposition of 1900, celebrating as it does not only the century that is just closing, but also that which is about to open, will sum up as if better to bequeath it to future generations the work of our epoch, an imposing work, for in every department of activity this century has been one of fruitful revolutions and of progress. There is no doubt that one of its surest titles to glory will be furnished by the considerable growth, specially during the last few years, of social and economic science.

"The grave questions involved in social economics are as old as the mind of man, but it is only in recent times that they have been discussed in a scientific spirit, that is, that they have been taken from the sterile regions of dreams and sentiment to enter into the fruitful domain of rational study and practical experience. Formerly, beside the mental wanderings of humanitarian philosophy, society greedily pursued its own ends, interest alone directed social forces, while a vague mysticism led generous minds astray in the search for an easy method which would enable them to achieve universal happiness by means of one sudden reform.

"Certainly it belongs to our nation, which first proclaimed the 'rights of man' to take the lead in this grand work of emancipation. She owes it to herself in this great celebration at the end of the century to sum up before the eyes of the world that which has been done in every country to im-

prove the social condition of the individual. Such is the object of the exhibit of social economy. Surely there will be few parts of the universal exposition of 1900 which will be of such general interest, few where the public may so easily instruct itself. Visitors will need no technical knowledge in order to appreciate and understand. The exhibit concerns society, that is, man in the most general relations that he has with his fellow men."

The official classification adopted by the French exposition authorities as a basis for the social economy exhibit shows very clearly the breadth and comprehensiveness of the French definition of social economics. It provides for a careful representation of all of the social and economic factors which enter into the lives of workingmen. Each step in the progress from childhood to old age is provided for in one or another of the classes outlined below. M. Siegfried's article contains the following observations on these twelve classes:

"Class 101 **Apprenticeship and the protection of child labor.** Here we take the workingman at his entrance into economic life. We see where he received the technical instruction fitting him for his trade; and the first contracts that bind him. We learn that already society concerns itself with his fate and that the law protects his youth and his feebleness from abuses of all kinds.

"Class 102 **Wages; other forms of industrial remuneration; profit sharing.** Here is the question of the workingmen's living — upon what basis the contract for labor is made. All systems of remuneration figure in this class. There is a special place reserved for profit sharing, that superior form of remuneration which makes the workingman an associate of the employer instead of a hired laborer.

"Class 103 **Large and small industries; cooperative associations for production or for obtaining credit; trade unions.** This class includes everything relating to the labor of industrial workingmen. It throws into relief specially the fruitful results of association whether it be for the pur-

pose of freeing the workingman from tutelage on the part of his employer, or simply for augmenting the force of the individual through the grouping of interests. The grave question of strikes here finds its place.

"Class 104 Farming on a large scale and on a small scale; agricultural unions and banks. Little is known about the economic revolution going on in our fields through the influence of agricultural associations (*syndicats agricoles*). The workingman of the fields, not less interesting but more silent than his brother in the factory, is unknown to the public, but he is only the more active in his efforts to advance and achieve independence. Nowhere have the benefits of cooperation appeared with more striking force than here.

"Class 105 Protection of workers in factories; regulation of work. In addition to the contracts which govern labor, it is submitted to far more general laws — mathematical laws which statistics reveal for each profession. Accidents during labor merit above all to hold the attention. What responsibility falls upon the employer and the laborer? What means have been used to insure both against the definite probability of this risk in each trade? What regulations govern this matter? So much for questions of the greatest interest in this connection. In this class are also included hours of work, superintendence of work-shops and inspection of factories.

"Class 106 Workingmen's dwellings. Who does not know what a profound influence our dwelling exerts on our character, our life and our habits? To improve the condition of the workingman in his dwelling is to work for morality, to strengthen the family and to develop among workingmen a sense of personal ownership. One will see in this class how the modest worker can acquire a comfortable, attractive little home, and also what material and moral results may thus be achieved.

"Class 107 Cooperative stores. By suppressing intermediaries, cooperative stores permit the individual to secure provisions more economically. Remarkable results have been achieved through this form of cooperation.

"Class 108 **Institutions for the intellectual and moral development of workingmen.** Education of the people is the first duty of a democracy. But education given at the elementary school is a comparatively small affair. To continue and develop it is the object of numerous institutions to which we should certainly wish prosperity and success.

"Class 109 **Provident institutions.** To aid the workingman in his efforts to secure a patrimony for himself; to provide for his old age the security of a retiring pension; to provide for his family in case of sickness, unemployment or death; such are the objects of numerous societies having savings bank, insurance and mutual benefit features. Do they not free the individual and shelter him from chance and from accidents? This important aspect of social economics is very properly one that is studied with great care.

"Class 110 **Movements under public and private auspices for the welfare of the people.** A comprehensive table here presents to us the most general problems of social science. We see the various socialistic systems, the state intervening in relations between private citizens, substituting its initiative for private initiative, and imposing obligations which sometimes go so far as to restrain individual freedom. Finally, we find in this class documents on the social state of various nations.

"Class 111 **Hygiene.** One easily divines all that is included under this simple title. Since hygiene is useful to every individual in society, it becomes an imperative duty for the state to intervene and oversee and develop it. In recent years science has given us a marvelous equipment, which helps us to avoid contagious diseases and to diminish the rate of mortality. Its principles should be familiar to everyone, and the public authorities should supervise their application.

"Class 112 **Public and private charities.** Here we find again charity, of which we spoke above, but no longer vaga-

bond and subject to no rules. In this class are included all public and private institutions having for their object the relief of misery in all of its forms ; the assistance of children and adults ; and of the infirm, the sick and the insane."

III AN OUTLINE OF AMERICAN SOCIAL ECONOMICS

The space assigned to the United States in the social economy building is very limited in area. For this reason the Department has been obliged to follow a plan of rigid exclusion in preparing the social economy exhibit, and to accept only material representing typical institutions and movements. The exhibits which have been accepted will be interpreted with great care by means of labels and catalogs in English and in French, and will be supplemented by a series of monographs describing not only the social economic institutions represented in the exhibit, but also many of those which would have been given a place if the amount of time and money at the disposal of the Commission had been sufficient for the purpose. In arranging and interpreting social economy material the Department has followed the official French classification very carefully. In collecting this material, however, it has seemed advisable to use an outline that would be more easily understood by American exhibitors. Accordingly, a systematic classification has been prepared which is sufficiently comprehensive to include all of the exhibits that may be accepted by the Department, and all of the institutions and movements that may be described by the monograph writers.

This classification, of which an outline is printed in appendix A, groups the social economic elements under seven main heads: 1) the country; 2) the people; 3) industrial institutions; 4) commercial institutions; 5) economic institutions; 6) social institutions; and 7) movements for improving social and industrial conditions.

The country. There are two important factors which enter into the production of social economic conditions in any coun-

try, namely nature and man. Nature provides the raw materials which are used in the various industries, and the environment in which they occur; while man contributes the labor and the intelligence needed to transform these raw materials into useful commodities, and thus give rise to social and economic life.

The first step, therefore, in preparing an exhibit of American social economics is to present a clear picture of the country itself as the seat of an economic society, showing its actual size and its size when compared with other countries; its location with reference to other countries, to important commercial routes, to densely populated districts, to parallels of latitude and to climatic belts; the division of its area into portions available for habitation and those available for pastoral, for agricultural and for industrial pursuits; the length and character of its coast lines; the climate of its various sections, with special reference to conditions which are healthful for men, and for animals and plants; its topography, with special reference to transportation routes and drainage areas; its economic geology, showing mineral resources and the character of the soil; its economic biology, showing regions especially fitted to be the homes of those animals and plants which are useful to man; and its economic geography, showing where the various classes of raw materials may be found and which regions are fitted by nature to be the seat of particular industries.

The people. The next step is to represent the people who live in the United States, showing their number; the density of the population in each section of the country; the race, age, sex and distribution of each important element in the population; and the industrial efficiency of each, including not only adult and able-bodied persons, but also the aged, the children and the defectives, dependents and delinquents.

Industrial institutions. Then should come a representation of the industrial life of the country in its social economic aspects. This exhibit may be grouped under three main

heads: 1) social economic aspects of extractive industries, such as agriculture, horticulture, forestry, animal husbandry, fisheries and mining; 2) social economic aspects of manufacturing industries, which may be divided into two groups, those which are simple, since they are based upon only one of the extractive industries, and those which are composite since they are based upon several of the extractive industries; and 3) the social economic aspects of industries connected with transportation and communication, including highways, railroads and other means of land transportation; canals, rivers, lakes, coast routes and other means of water transportation; and posts, express, telegraphs, telephones, cables and other means of communication.

The exhibit representing extractive industries should refer in each case to regional maps showing the location and the physical characteristics of every important district where one of these industries is carried on, and should contain a documentary, statistical and pictorial presentation of the important facts in regard to the products sought, the machinery and other tools used, the condition of the laborers employed, the amount and value of the commodities produced, and the markets to which these commodities are sent.

The exhibit representing manufacturing industries should also be based upon regional maps, and should contain supplementary information similar to that presented in connection with the extractive industries.

The exhibit representing industries connected with transportation and communication should present a clear picture of the industrial facts and the topographic features which determine the location of railroads, highways, canals and other main arteries of trade and commerce. It should also describe the social and economic forces which affect the development of local, national and international systems of intercommunication.

Commercial institutions. The commercial activity of the American people has resulted in developing a distinct group of

commercial institutions which should be represented in a social economy exhibit. In this group may be included trade journals, which enable merchants at home and abroad to keep in touch with progress in every important field of industry; modern commercial methods, which have helped to develop wholesale and retail trade far beyond the point which had been reached a few decades ago; local merchants' associations and national manufacturers' associations, each of which exerts a strong influence in its own peculiar field; chambers of commerce in each of the large cities, and bureaus of commerce in Washington, which are a controlling force in developing and regulating commercial relations; commercial museums, which have become a powerful factor in diffusing information in regard to the resources and the manufactures of home and foreign countries and in creating a market for home products; and the means by which the enterprise of the American people, aided by the various commercial institutions and by the consular system maintained abroad by the United States government, has brought certain parts of the world, notably the South American republics, within what may be called our commercial sphere of influence.

Economic institutions. There are many distinctly economic activities which have an important social influence, and should therefore be given a prominent place in the social economy exhibit. The preparation of children for industrial life; the various methods of industrial remuneration; the efforts made by employers and by employees to reach a satisfactory basis of agreement through cooperation, profit sharing, or some form of prosperity sharing; the protection of workmen in factories, in mines, and elsewhere; institutions providing for the workman or his family in case of sickness or old age or death; provisions for making the homes of workmen healthful and attractive, and at the same time moderate in cost; all are among the economic institutions which should be represented.

Social institutions. As a rule the social institutions characteristic of American life are not well understood by foreign-

ers. It is therefore certain that an adequate presentation of what is meant in America by the home, the church, the school, the community and the state would attract wide-spread attention and arouse deep interest among thoughtful foreigners who visit the exposition. It has not been possible to prepare such an exhibit for the Paris exposition, because the Commission lacked both the time and the money needed. The purpose in view has been partially accomplished, however, by grouping the exhibits representing movements for improving social and industrial conditions under five heads, corresponding to the five great social institutions enumerated above. Wherever possible the Commission has included in this exhibit a representation of the social institution as it is side by side with movements for improving it.

Movements for improving social and industrial conditions. The various movements for improving social and industrial conditions should occupy a very prominent place in the exhibit. They may be grouped under five main heads: 1) movements for improving domestic conditions, *i.e.* for developing the home; 2) movements for improving religious conditions, *i.e.* for increasing the social influence of the church; 3) movements for educational extension; 4) movements for improving social conditions in the community; 5) movements for improving political conditions, *i.e.* for increasing the efficiency of the town, county, city, state and national governments.

Domestic movements. The family is recognized as the fundamental institution in society. For this reason any movement which develops family life and helps to build up healthful, happy homes is of vital importance from the social economic standpoint. This is specially true of a nation whose members have come together from many different countries and brought with them widely differing social standards. A city like Chicago, or New York, for example, is exceedingly cosmopolitan, and is a veritable whirlpool of social and economic currents.

The most important unifying force is the public school. It is therefore a very hopeful sign when the board of education in any one of our large cities faces the situation and makes the teaching of the household arts — cooking, sewing, housework and home decoration — a part of the regular public school curriculum. Steps in this direction have already been taken by the school boards of Boston, Brookline, Chicago, New York, Philadelphia and other cities. To meet the demand thus created for competent instructors, special training schools and training departments have been established in all parts of the country, and are doing very effective work in preparing women to teach the household arts.

Another important influence which makes for better home conditions is the movement for improved housing. The concentration of large numbers of people in cities has resulted in many cases in crowding the poorer people into uncomfortable, unsanitary tenements where there is little opportunity for privacy or even decency in home life. For a time philanthropists tried single-handed to improve tenement-house conditions; but now business men as well as municipal authorities have come to their assistance, and have demonstrated that it is sound business policy on the one hand and sound public policy on the other to insist that every building occupied as a tenement shall conform to at least a minimum standard of healthfulness and decency.

Municipal systems of rapid transit have been developed to the point where many of the people who were formerly compelled to live in cities in order to be near their places of business can now move to the suburbs, or even to the country, buy their own homes and live in the midst of far more wholesome surroundings than the poorer districts of large cities can ever afford.

Art schools and art museums in all of the larger and many of the smaller American cities exert a strong influence on domestic conditions. They accomplish a great deal towards developing the public taste to a point where it will demand

that clothing and household furniture, even when sold at a very moderate price, shall be attractive in both color and design, and they offer industrial art courses with a view to training the designers needed by manufacturers who are striving to meet this demand.

There are in addition numerous local institutions for improving domestic conditions, *e.g.* social settlements, dietary kitchens, sewing classes and neighborhood guilds. The social economy exhibit should represent each of the larger movements mentioned above, as well as typical examples of the local institutions, in order to show how strong and practical are the efforts made by the American people to maintain a high standard of comfort and morality in the American home.

Religious movements. Some of the most important movements for improving social conditions are conducted by churches and by various organizations which are religious or at least denominational in origin. Thoughtful members of these religious bodies have come to recognize that social conditions are changing very rapidly at the present time, and that if the church would remain the chief source of help and inspiration for the people, she must adapt her methods to these changing conditions. Churches of all denominations have therefore developed in recent years a wide range of institutional activity by encouraging those phases of church work which tend to build up community life and insure the health, the happiness and the material prosperity of the people.

In addition to the institutional church and the national denominational organizations, there are certain other religious bodies whose social work should be represented. Among these may be mentioned: Young men's Christian associations, Young women's Christian associations, Christian endeavor societies, Epworth leagues, the Volunteers, the Salvation army and many others. The work done by these organizations is very effective, and its careful representation would form an exceedingly interesting part of the social economy exhibit.

Educational movements. Movements for educational extension exert a tremendous influence on social economic progress. They may be grouped under five heads: 1) educational extension under the auspices of national, state and city governments; 2) educational extension through museums and libraries; 3) educational extension through popular institutes and free concerts, lectures and exhibitions; 4) educational extension through summer assemblies and vacation schools; and 5) educational extension through clubs.

Educational extension under the auspices of the national government. The United States government does more for social economic progress through popular education than is done by any other single agency. It expends more than eight million dollars each year for the educational and scientific work done by the bureau of education, the Smithsonian institution and national museum, the congressional library, the department of agriculture, the department of labor, and other governmental departments.

The bureau of education gathers and publishes each year a splendid collection of material, dealing with every phase of educational activity at home and abroad. These reports of the commissioner of education are sent to all of the public libraries in the country and to a large number of normal schools, boards of education and individual teachers. In this way the bureau is directly instrumental in stimulating progressive teachers and patriotic citizens in every community to maintain in the local school system and in other local institutions a high educational standard. In addition, the bureau has built up in Washington an educational library which is acknowledged to be the finest in the world. This library is not only open at all times to students who visit the bureau, but its books may be drawn out and kept for several weeks by students in other parts of the country who desire to consult the published authorities but are unable to go to Washington for the purpose.

The congressional library is rapidly gaining recognition as a truly national institution. The rich collections which it contains are now open, not only to members of congress, but to the general public, and even to children, and every citizen, young or old, may at all times use them freely. The progressive library policy which the national government has followed in recent years has already resulted in making the congressional library the finest institution of its kind in America, and a worthy leader in the forward movement of American libraries — a movement whose educational results entitle it to recognition as second only to the public school movement in social economic significance.

The Smithsonian institution and the national museum together constitute a great clearing-house for the scientific ideas of the world. By means of a system of exchanges the Smithsonian secures all of the important home and foreign publications on scientific questions as soon as they appear. These are summarized and the results published in a series of official reports which are distributed, together with copies of the original publications, among the public libraries and the leading scientific institutions of the country, where they may be consulted at any time by the general reading public. The government thus places within the reach of every American citizen an opportunity to keep in touch with the scientific progress of the world.

The department of agriculture exerts a direct influence on social economic progress by helping the farmers to utilize the natural resources of the country to the best advantage. It conducts elaborate investigations to test the fertility of soils, the value of natural and artificial fertilizers, the desirability of the several methods of culture, the effects of climate and the food and commercial values of various natural products. The results of these investigations are published in official reports, of which large editions are distributed among the farmers. The national government also supports an agricultural college and an experiment station in every state, and thus through

scientific research, combined with practical demonstrations, it becomes the true leader in the progress of agricultural industry.

The department of labor also exerts a profound influence on social economic progress. It maintains a corps of competent experts and statisticians who investigate important phases of the labor movement in the United States and certain foreign countries and then place their results at the disposition of the public through a series of carefully edited reports. The conditions which surround workingmen in the home, in the field, in the mine, in the factory, and amid the complex social conditions of modern industrial life — all are studied and discussed by this department in a broad scientific spirit.

Educational extension by state and city governments. Each of the state governments maintains a similar group of departments and carries on certain lines of scientific and educational work which are of great value to the people of the state. A list of these departments would include boards of health, education, agriculture, forestry, labor statistics and charities, a state library, a state museum and a state university, with numerous professional and technical schools.

City governments also do a great deal for educational extension. They maintain public school systems where the children of every citizen, without regard to race or religion, social standing or political belief, may obtain an elementary education. They support free public libraries and museums where all of the people can use the illustrative material and the books which have been bought with public money to be used for public education. They provide free lectures and concerts and exhibitions of art and industry in order to form the standards of public taste and raise the level of public intelligence. They conduct vacation schools where the children may use during the summer months the splendid buildings which really belong to them, instead of spending their time on the streets where they will be constantly exposed to the demoralizing influences which are characteristic of modern city life.

The children are the hope of the nation, and no effort should be spared, summer or winter, to develop in them the intelligence and the power which will enable them when the proper time comes to take an active part in the social, industrial and political life of the nation. One of the vacation schools conducted in Chicago in 1897 made a special effort to develop among its pupils a desire and an ability to perform well the duties of American citizenship. There were 19 different races, or race combinations, represented in a single room in this school. In many cases race antipathies had been retained by the families of these children, even after leaving their old world homes, and had caused endless strife in the new neighborhood to which they had come. It was specially important, therefore, to try to give these children a clear idea of the meaning of the words citizenship and patriotism. The plan adopted was as follows: They were offered an opportunity to gain some practical experience in performing the duties of citizenship through an organization known as the clean city league. They were gathered about the national flag every morning, and taught to sing our beautiful national songs. They were also taught to repeat together each day the following civic creed: "God hath made of one blood all nations of men and we are his children, brothers and sisters all. We are citizens of these United States, and we believe that our flag stands for self-sacrifice for the good of all the people. We want, therefore, to be true citizens of our great city, and we will show our love for her by our works. Chicago does not ask us to die for her welfare, she asks us to live for her, and so to live and so to act that her government may be pure, her officers honest and every corner of her territory a place fit to grow the best men and women who shall rule over her." Where can we find a finer expression of the ideal of American patriotism, or one that strikes a truer note in referring to the duties of municipal and national citizenship?

Educational extension through libraries and museums. Next to the public school system the educational agency

which exerts the strongest influence on social economic progress is the public library and museum. Nearly every city has made a beginning in the development of a free public institution, to which the citizens may go as often as they like and find the best books, magazines and newspapers, and often interesting collections of natural history material and of objects illustrating the local history of the community. Many of these institutions have advanced beyond the stage of entirely stationary collections and have organized systems of traveling libraries, traveling museums and traveling pictures, so that the public schools and other local centers, and even neighboring towns, may have an opportunity to obtain the use of public collections of books, pictures and exhibits.

Educational extension through popular institutes and clubs. Popular institutes are becoming very important factors in educational extension. They conduct classes and lecture courses on a great variety of subjects, give free concerts and free exhibitions of fine and industrial art, and provide technical instruction along any industrial line for which there is a sufficient demand. In short, they aim to give the masses those forms of popular education which will broaden their sympathies, add to their stock of knowledge and increase their industrial efficiency.

Educational clubs are also very prominent among the movements for educational extension. In some places they take the form of study clubs organized primarily for the benefit of the members, in others of public education associations which either devote their attention to encouraging every form of educational extension in city, state or nation, or else select a more limited field, such as kindergartens or public school art, or the teaching of domestic science, and concentrate on that. The women's clubs which are established in every city and in nearly every village are among the most efficient of the educational clubs. Their members take a keen interest in social and industrial questions, and by their great activity have made these organizations one of the strongest forces in social and economic progress.

All of these movements for educational extension might very properly be represented in the social economy exhibit. Many of them, however, will be given a place in the educational section or in the space devoted to libraries and museums, and only those which are special or technical in character will be grouped under social economy. This division of the exhibits is necessary because of space limitations, but here, as elsewhere, the gaps in the exhibit will be partially filled by the insertion of cross-references to material displayed in other groups.

Social movements. There are some movements for improving social and industrial conditions which are not intended primarily to influence any single group of the above-named institutions—domestic, religious, educational or political—but rather to influence all of these groups and thus raise the general standard of community life. A list of these movements would include a wide range of social economic activities but they may be grouped under five main heads: 1) philanthropic movements; 2) social and university settlements; 3) clubs; 4) industrial movements; and 5) municipal movements.

Philanthropic movements. There are a great number of philanthropic institutions in the United States. Some are maintained by public appropriations and others by private charity, but all, whether public or private, are designed to give protection and help to those members of society who are for one reason or another unable to help themselves. In arranging the charities exhibit these institutions have been grouped under eight general heads as follows: 1) institutions for the care of destitute adults; 2) custodial institutions for defectives, including the insane, the feeble-minded and epileptics; 3) hospitals, dispensaries and nursing; 4) institutions for the care and relief of destitute, neglected and delinquent children; 5) organizations for the care and relief of needy families; 6) institutions for the detention and treatment of criminals; 7) supervisory and educational movements; and 8) organizations for preventive work.

These various philanthropic institutions exert a tremendous influence on the social economic welfare of America, since they are forced to grapple day by day with those forces which retard progress by interfering with the health of the social organism.

Settlements. Social and university settlements also exert a very strong influence among poor people who live in the crowded districts of the larger American cities. The residents in these settlements are earnest men and women who have given themselves up to the effort to help their neighbors in every possible way. The settlement is their home. They identify themselves as completely as possible with the life of the neighborhood and take an interest in the homes, the schools, the occupations, and above all, in the daily lives of the people who live near them. They strive to make the settlement a center for wholesome social activity and to create an intelligent public opinion in regard to the important questions of every-day life. If it were possible to measure the results of their work and to show it by some method of symbolism in an exhibit, it would form one of the most striking features of the social economy section.

Clubs. One of the most active of the forces which influence social economic development is the club life carried on by men and women, boys and girls, in all parts of the country. The club when properly organized is a very effective social agency. It brings together people who have certain interests in common and affords them an opportunity to work together. Clubs which have a social economic significance may be grouped under four general heads — educational, social, industrial and political.

The educational clubs include those which have been described above under this head, and also numerous scientific organizations, such as the American historical association, the American economic association, the American association for the advancement of science, the National educational association, the American library association and many others.

Social clubs are as a rule organized for the purpose of bringing their members together for social recreation, but many of them add to this function a social economic aim which makes them important factors in advancing the interests of the city in which they are located, and frequently of the nation as a whole. Under this head may be included the great social clubs in cities, such as the Union league club of New York, the Cosmos club of Washington, the Manufacturers' club of Philadelphia and a number of others which bring together men who are prominent in every walk of life, and give them an opportunity first to discuss questions of public interest, and then by united action to exert an influence in shaping the public opinion in regard to these questions.

A list of the industrial and commercial clubs would include such organizations as the National manufacturers' association, the National association of factory inspectors, the trades unions and all of the great labor organizations, as well as many smaller local clubs whose interest centers in questions affecting a single industry or certain special phases of commercial or industrial life.

Political clubs are also influential in shaping social economic development. It is true that some of them, including the great party organizations, are frequently willing to sacrifice the larger interests at stake for the sake of achieving a merely partisan success; but this is to be expected in a democracy, where national politics are necessarily organized on party lines. There are, however, many organizations, specially in the larger cities, whose interest centers in purely municipal questions, and in whose work party politics plays a subordinate role. In these clubs many of the most vital questions in the field of social economics are carefully studied and discussed, and the conclusions reached are given a wide circulation through the daily and periodical press.

Industrial movements. None of the movements for improving social and industrial conditions are of greater significance than those which have grown up in connection with

certain large industrial establishments, where employers try to improve the condition of their employees, or the employees themselves make a systematic effort to improve their own condition. Industrial movements of this kind may be grouped under three heads: 1) those affecting the condition of workingmen in their homes; 2) those affecting the condition of workingmen in the factories where they are employed; and 3) those affecting the community in which the workingmen live.

Among the movements affecting home life may be mentioned the erection of model cottages and improved dwellings which workingmen may rent or buy at a moderate price; training in the various household arts, not only offered to girls and women employed in the factories, but also to members of the families of men who are employed; encouragement and direction in making the home surroundings attractive by planting flowers and vines in the front and back yards; and care for the physical health of the workingmen and their families.

Among the movements connected with life in the factory may be mentioned: 1) those affecting the physical health of employees, including protection from accident by means of safety devices attached to dangerous machinery; opportunities for obtaining nourishing food at a factory lunch counter, a restaurant or a dining room; encouragement of physical exercise by means of athletic clubs organized by the workingmen themselves; opportunities for exercise afforded by those employers who furnish a bicycle room in their factories or provide that calisthenics shall be conducted each day during a brief recess in the morning and again in the afternoon; and provisions for free baths and for a rest room where men or women may be cared for if injured or taken sick during working hours; and 2) educational activities, including kindergartens for the younger children of employees; industrial classes for older children and adults; illustrated lectures given in the factory hall; a library and reading room open to

employees at all times ; a traveling library sent through the factory on a truck during the noon hour ; publications issued by the employer for the information of his employees ; and clubs formed by the employees for purposes of study and discussion. Some employers also furnish a strong incentive to careful thought and study by offering prizes each year to the employees who make the best suggestions in regard to improvements which might be made in the administration or the methods of the factory.

The movements which affect the life of the community include: 1) efforts to make the neighborhood beautiful by planting trees and vines near the factory and along the streets, and by encouraging employees to form local improvement associations; 2) efforts to develop habits of thrift by conducting penny provident banks, forming mutual benefit societies and relief associations and encouraging employees to save and invest their earnings; and 3) efforts to develop a wholesome social life by providing a hall where employees may gather for games, dances, concerts, lectures, musical rehearsals and various other forms of healthful social recreation.

Municipal movements. Nearly 40% of the entire population of the United States live in cities having more than 8000 inhabitants. It is, therefore, necessary for American municipal authorities to deal with some very important social economic problems. Each city taxes its own people for the support of municipal activities and expends the money collected: 1) in protecting the lives and property of the citizens by means of a police force, a fire department and a group of bureaus which control the cleaning of the streets and the sanitary regulations of the city; 2) in educating the people by means of a public school system, a public library and various forms of educational extension; 3) in providing the city with streets and sidewalks and the necessary water and light; and 4) in performing such other functions as may be given the authorities by a majority vote of the people.

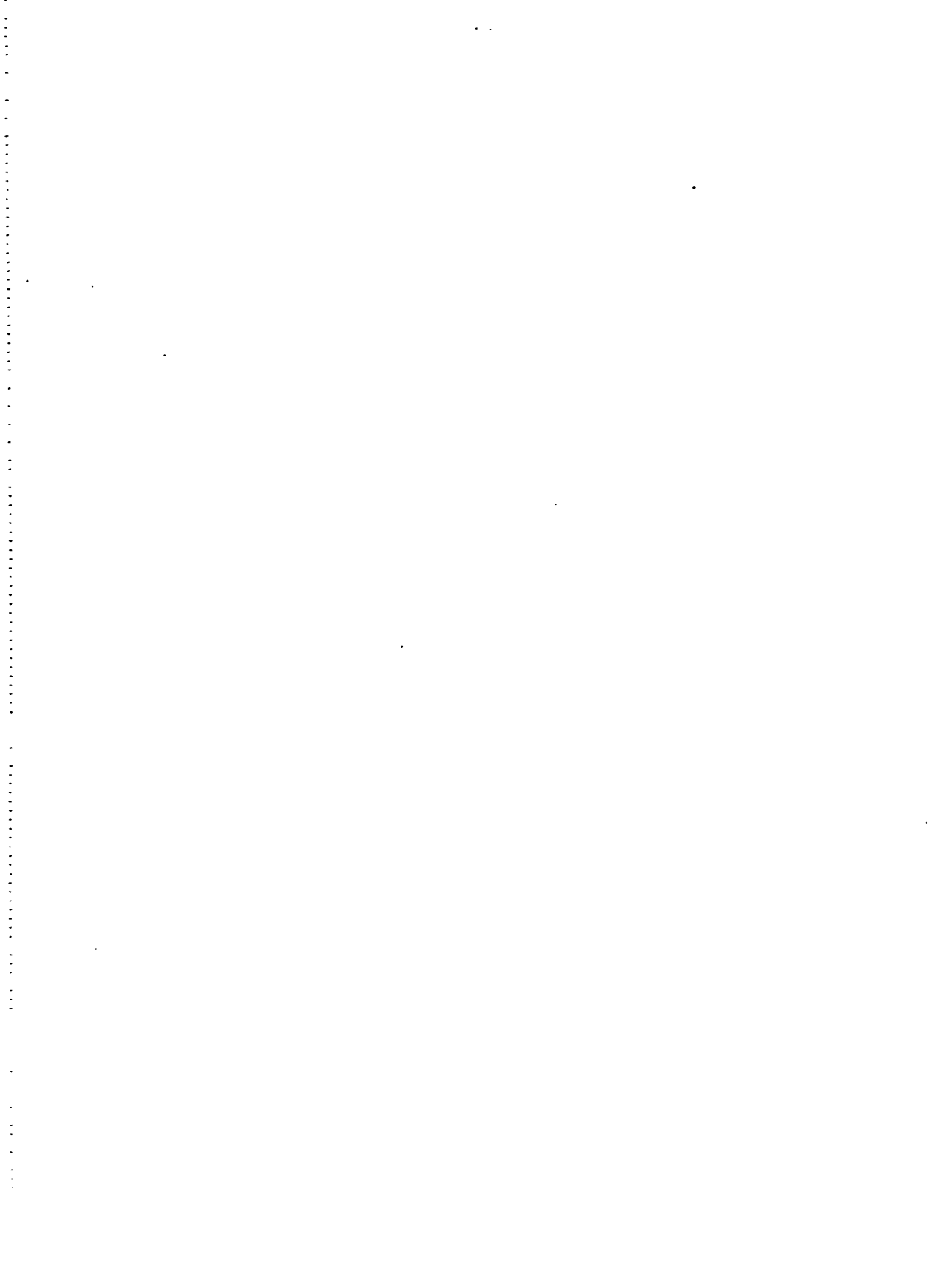
Among the newer features of municipal enterprise may be mentioned: 1) those which care for the health of the people by establishing public baths, public comfort stations and public gymnasiums; 2) those which provide the people with opportunities for healthful recreation in public parks and playgrounds and on recreation piers; and 3) those which affect the domestic life of the people through the influence of public laundries, municipal lodging houses, tenement-house inspection and food inspection.

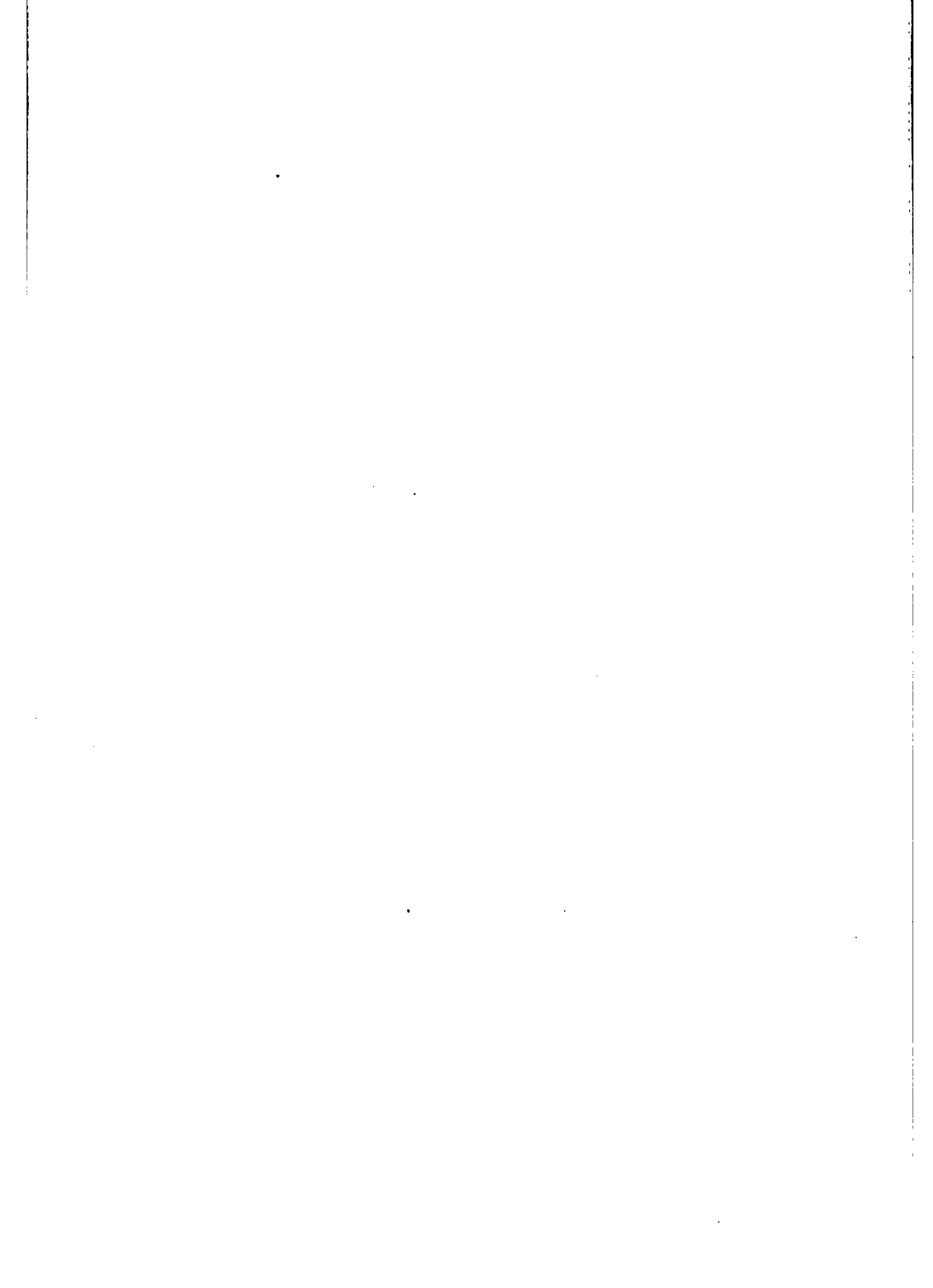
Conclusion. For obvious reasons it will not be possible for the Department to represent in the social economy exhibit all of the institutions and movements mentioned above. It is already certain, however, that the exhibit will contain material of considerable scientific value; and will enable even the casual exposition visitor to gain a clear idea of the important social and economic aspects of the United States, *i.e.* of the country, the people and the social economic institutions.

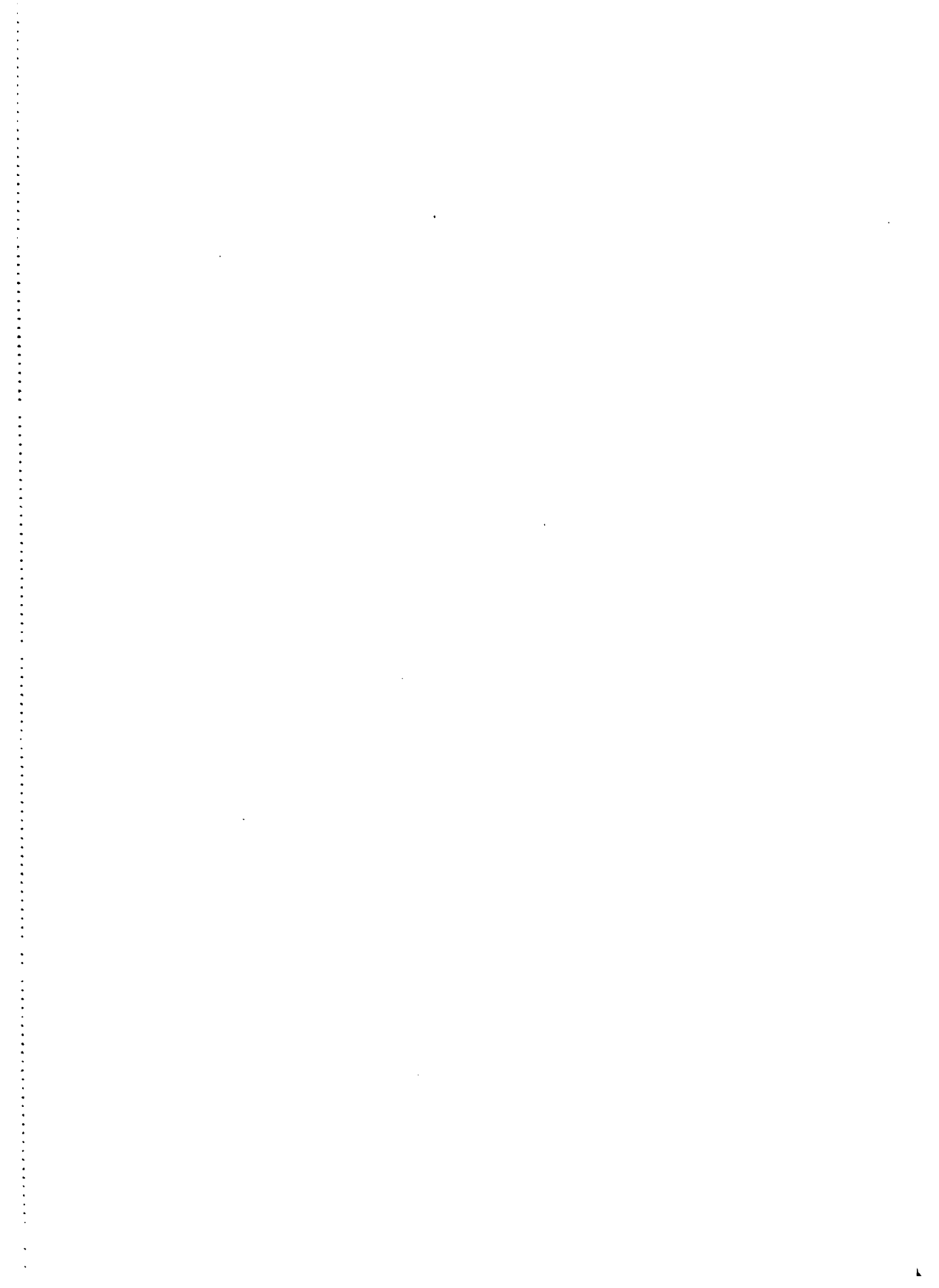


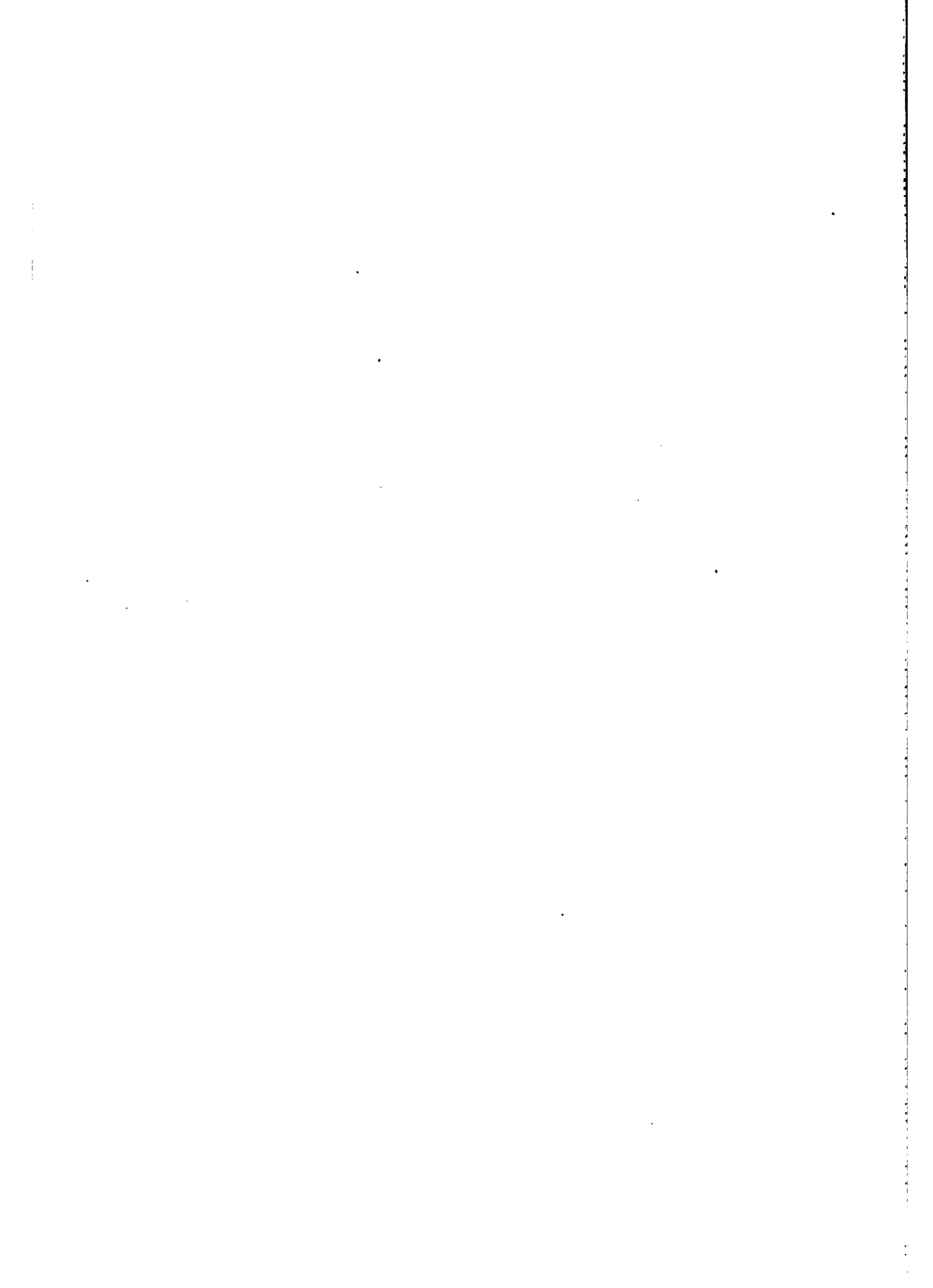
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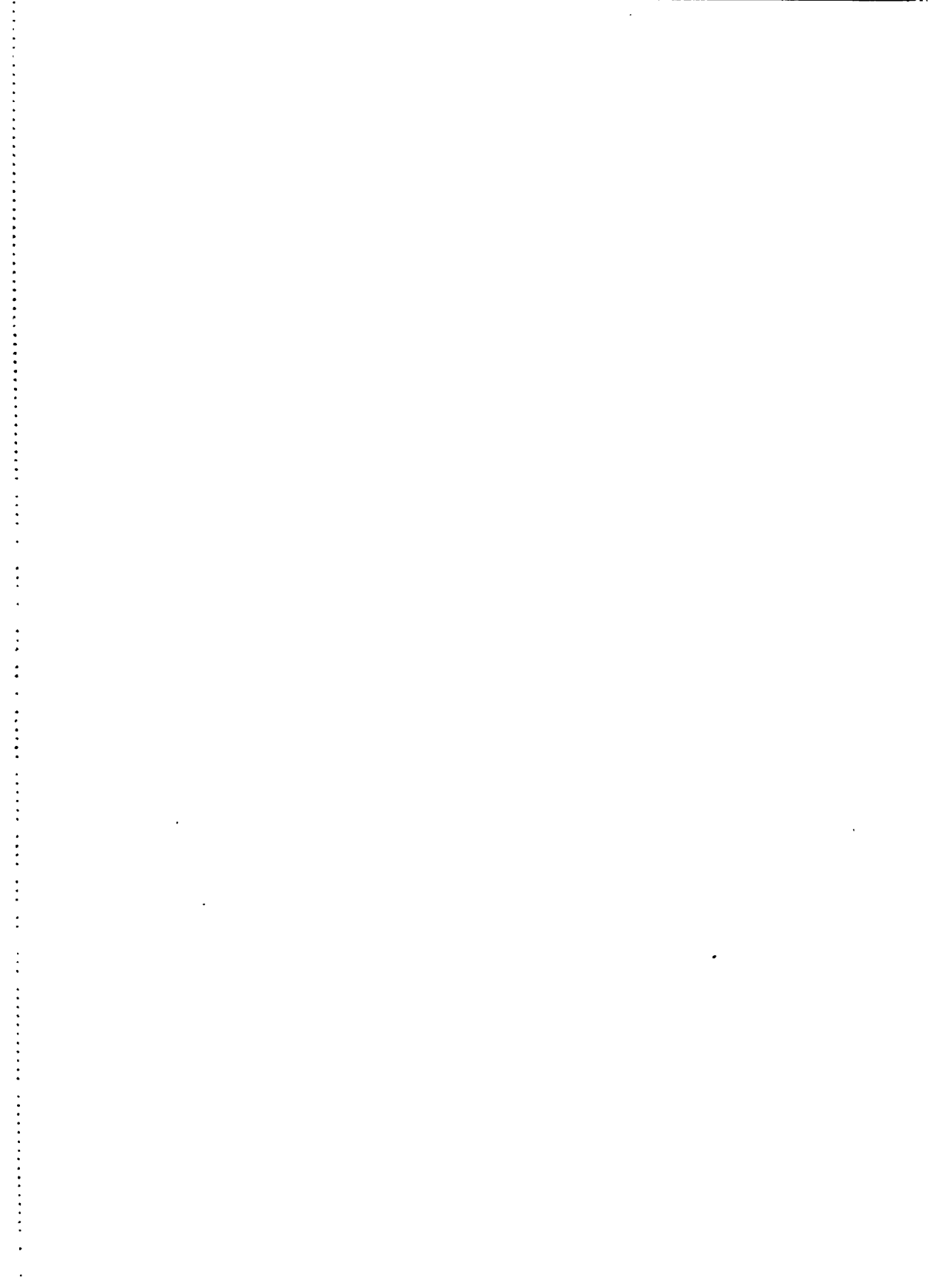
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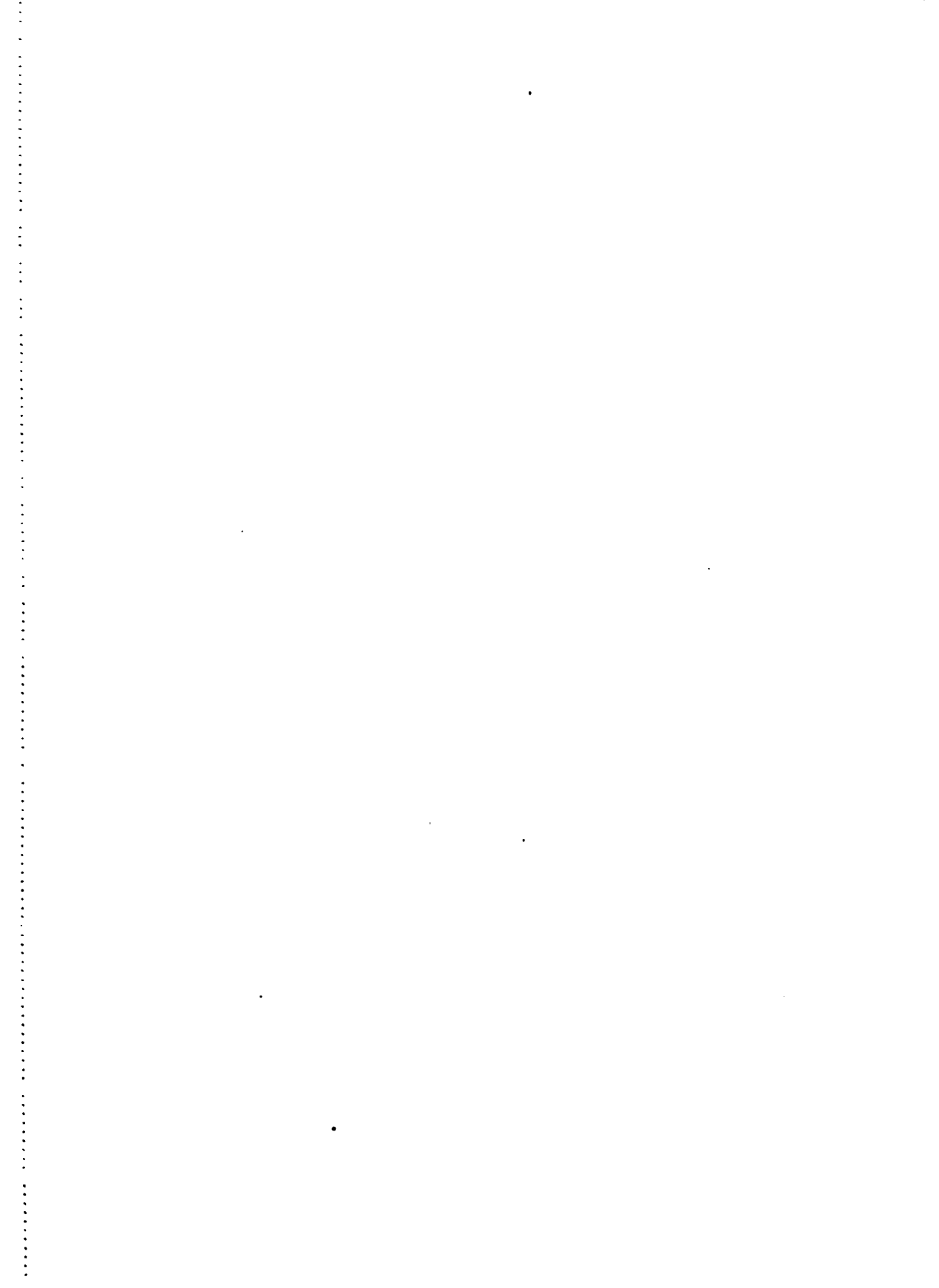












DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS

ON

AMERICAN SOCIAL ECONOMICS

EDITOR

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III

RESOURCES AND INDUSTRIES OF THE UNITED
STATES

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NOTE

The heavy-face numerals which appear in the text refer to maps exhibited in the Social Economy section and which illustrate the subject of this monograph. The reader is advised to consult these maps in connection with the perusal of the following pages.

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RESOURCES AND INDUSTRIES OF THE UNITED STATES

BY EDWARD D. JONES

I AGRICULTURE

GENERAL

The general conditions which have surrounded the agricultural industry in the United States assist in the interpretation of its history and present condition. From the period of the first settlements to the present time large quantities of free land have been at the disposal of the tillers of the soil. This has made possible large-sized holdings and a consequent equipment of each agricultural unit, which differs from that customary in Europe. The agricultural population has always been equal politically and socially with every other class in the community. To the influence of this condition the improvements, which have been made in agricultural arts in America may in considerable part be traced. There have been, furthermore, no special burdens laid upon the holders of land and no involved and antiquated legal forms connected with its transfer or lease. The government of the United States has always been specially watchful of agricultural interests as may be seen in its general land policy, in the work of the Department of agriculture, and in the maintenance of numerous agricultural colleges.

The isolated condition of the early settlers led necessarily to a diversified form of agriculture and to a close union of household industry with the production of raw materials. The steady growth of means of transportation has little by little separated manufacture from agriculture, and has permitted the development of regional specialization in agriculture controlled according to the peculiar advantages of each region. The

study of the special agricultural regions is of considerable interest. (23) To mention a few of the more notable cases of specialization in the northeastern portion of the United States; Americans are familiar with the fruit-growing sections of western Michigan, the celery country around Kalamazoo, the lettuce of Grand Rapids and the melons of Benton Harbor. A vineyard region stretches along the southern shore of Lake Erie, south of which is a belt of dairy country on the clay formations of northern Ohio. The orchard belt extending along the southern shores of Lake Ontario is well defined, as is the nursery business in the neighborhood of Syracuse. Peppermint farming may be mentioned for southern Michigan and central New York, broom-corn for central Illinois, truck farming in southern Illinois, and the Elgin butter industry in the northern part of the same state.

Before the lines of development for agriculture could be made clear in the new country to which Europeans came, an immense number of experiments had to be made to discover for what the land was best fitted. The pioneer work of experimenting with the vegetables, grains and fruits of the old world was carried on with an almost entire absence of written records, and with little exchange of information between the different regions. Progress was necessarily slow and costly experiments were repeated again and again. The work of experimentation was greatly facilitated by the formation of agricultural associations, which flourished in the early years of the American government. (24) The work of these associations was taken up by agricultural newspapers, which have become a conspicuous feature and a great power in agriculture, because of the general intelligence and enterprise of American farmers. The work of experimentation, which is still fixing the outlines of agricultural areas, is by no means completed, but is now being carried on in a scientific and economical manner by the United States experiment stations and by the agricultural colleges generally.

As has already been said, a feature of American agriculture is the influence exerted by the agricultural press. (25) By this is not meant the political influence of an agrarian party, but rather the assistance which the farmer receives in the improvement of his methods of tilling the soil from the wide dissemination of useful information. A map of agricultural papers shows Chicago to be the world's greatest center of agricultural information. That city has 17 general agricultural papers; nine devoted to poultry, 11 to stock-raising, five to horticulture, three to dairy interests, and one each to floriculture, agricultural implements and irrigation.

A notable condition in the early history of agriculture as of the mechanical arts was that with an abundant supply of land and raw materials there was a scarcity of labor. The economic problem presented continuously and in every part of American territory was this: How can the abundant resources of the country be most rapidly developed with the least expenditure of human toil. To the inhabitants of the old world who came to this continent these undeveloped resources were exceedingly attractive, and they led to the most feverish exertions, and to a rate of progress in industrial development, which was previously unknown in any country. The methods by which the northern and southern states solved the problem of agricultural labor were radically different. The north achieved a magnificent series of inventions, improving every type of agricultural implement and machine. The results of this series, collectively considered, constitute perhaps the greatest technical achievement which American genius has to lay before the world.

The south solved the problem of the scarcity of agricultural labor in a less arduous manner by the importation of African slaves. During the civil war these slaves were emancipated and since that time the south has suffered from the necessity of making a change in its agricultural system which has revolutionized the entire industrial structure and to some extent the political and social fabric.

WHEAT

The United States ranks as the greatest producer of wheat in the world, raising upon an average one fifth of the entire supply. (26) The second country in rank is France.

The ideal climate for wheat growing is one with a moist spring, during which the sprouting of the seed is done. The sprouting determines how many stalks each grain will produce. As the new plant increases in size, the season should gradually become dryer and hotter until during the ripening period there is a continuous season of sunshine and warmth enduring until the wheat can be garnered and threshed. This ideal is more nearly approached in California than elsewhere, but the entire northwestern states are well favored in the matter of climate. The principal wheat growing sections, namely: Minnesota, North and South Dakota and California have the merit of a stable climate from year to year. This permits of an exact adaptation of means to end in wheat growing and allows a scientific treatment of the crop, involving the use of costly equipments and elaborate market organization, which would be otherwise unprofitable and impossible.

In 1850 the north and south line which divided the wheat fields of the United States into two equal parts was the 82 degrees meridian. In 1860 it was the 86 degrees, in 1870 the 88 degrees and in 1880 the 89 degrees meridian.

The wheat growing sections may be roughly divided into two parts. The winter wheat belt includes the greater portion of the United States between the 31 degrees and 43 degrees parallels of latitude east of the 100th meridian. Only two southern states, Kentucky and Tennessee, produce enough grain for home consumption. Within the area indicated the growing of wheat is principally determined not by climate or the fertility of the soil, but by those qualities which render the soil easy to manipulate with machinery, the chief of which is a level topography.

The spring wheat region includes the states of Iowa, Minne-

sota, Wisconsin, North and South Dakota, and the northern portions of Nebraska and Illinois. While the territory in which winter wheat is grown is also suitable for many other agricultural crops, the spring wheat country, specially the northern half of it, is restricted by climatic conditions to wheat growing and cattle raising. The result is that upon this small area an enormous amount of wheat is grown so that the region is in truth the wheatfield of the world.

In so far as the surplus product of wheat is gathered from the farms to the larger markets the stream of winter wheat which is collected at Kansas City, St. Louis, and Nashville, moves eastward by way of Chicago and Toledo, or Indianapolis, to Philadelphia, Baltimore, and the more southerly Atlantic ports. The more concentrated flow of surplus spring wheat is gathered into Minneapolis, Duluth and Milwaukee, and is thence forwarded by lake and rail through Buffalo to New York and Boston.

ELEVATOR SYSTEM

Along the route of this great commercial drainage system which carries from the land the exportable surplus of grain, the most elaborate equipments have been provided for the rapid and economic handling of the product. In connection with the wheat industry there has grown up an American practice which is world-renowned as the "elevator system." In this system the identity of any given quantity of grain is lost, each portion being interchangeable with any equal quantity of the same grade. The system obviously calls for a rigid classification. This is for the most part made under public authority in an entirely satisfactory manner. A considerable number of the larger elevators are able to perform the actual work of removing a carload of grain (400 bushels) from a car in one minute. From 250 to 300 cars are easily handled in a day. Steamers may be loaded with from 80,000 to 100,000 bushels of wheat in six hours, and an Erie canal-boat holding 8000 bushels, can be filled in considerably less than an hour.

FLOUR MILLS

That portion of the wheat crop, which is not caught by the shoals of flour mills, (27) extending north and south across the United States on the 97th meridian, and by the still more numerous mills of central Minnesota and southeastern Illinois, or the group in Indiana, Michigan and Ohio, is carried to the great milling centers of which Minneapolis, Duluth, Kansas City, St Louis and Chicago are the chief. Minneapolis is the greatest flour milling center in the world. Duluth and Superior together constitute a strong rival. The latter cities have the advantage of location upon the lakes, so that it is not necessary to break the shipment of wheat twice before it is placed upon lake steamers. Coal is also cheaper in Duluth than Minneapolis, but the latter city has the advantage of an immense equipment, well established trade connections, particularly an extensive elevator system extending throughout Minnesota and the two Dakotas. The water power of Minneapolis is estimated at 120,000 theoretical horse-power; an amount calculated as six times that of the entire country of France and seven times that of England.

Although it is possible to convert a bushel of wheat into flour at an average cost of 13 cents, less than one half of the American wheat exported is in the shape of flour. The principal reason for this is the existence of foreign tariffs, which discriminate against imports of flour to encourage a home milling industry. Wheat is also easier to manipulate in transportation than flour.

CORN

The most valuable single agricultural product of America is Indian corn, also known as maize. (28) Indian corn is the most prolific and important vegetable product of the United States. The crop which has amounted in recent years to

2,000,000,000 bushels is the basis of many great industries. The largest structure ever raised by the hand of man is the pyramid of Ghizeh. This is 800 feet on the side and was originally reared to an altitude of 450 feet. The American corn crop of a single year would make forty-four piles of the size of this pyramid. Those who have seen the Washington monument will remember the profound impression produced by this lofty granite shaft. The corn crop of 1899 would make one grand pile three times the height of this monument and with a circumference a mile and a half in circuit. The banner corn field of 1899 was said to have been a field in southern Illinois, 6000 acres in extent and yielding 600,000 bushels.

If we define the corn country as that region producing over 3200 bushels per square mile, we find that in 1890 the "corn belt" included western Ohio, central Indiana, Illinois and Iowa, western Missouri and eastern Nebraska and Kansas. There is a patch of country for which corn is a staple in central Kentucky, another in central Tennessee, and a third in the neighborhood of Lancaster, Pa.

While one third of the American wheat crop is exported annually, not more than 4% or 5% of the corn crop leaves the country. European nations have not yet learned to employ this product directly as a food article. The proportion of the crop which is consumed directly as human food in the United States is not a large one. This brings us to the processes by which corn is transposed into marketable products.

The subsidiary industries which are founded upon the utilization of corn may be enumerated as; preparation of human food direct, including the canning of sweet corn, manufacture of corn meal, and of corn starch; the production of starch for manufacturing purposes, with corn oil as a by-product, used in the manufacture of rubber; distillation of spirits; and the production of cellulose from corn stalks. But by far the larger part of the corn crop is fed to cattle, pigs and chickens, and comes transformed upon the market in the form of the beef

and pork products of Chicago and other great slaughtering centers, and the poultry products gathered from a thousand country towns, and amounting to no inconsiderable factor in the prosperity of the corn belt. Understanding these uses of corn, it is easy to understand why the great packing centers are located at the commercial outlets of the corn belt. It will be observed that the business of distilling spirits has one of its chief centers at Peoria, Ill. The manufacture of starch and glucose are territorially distributed with reference to corn.

COTTON

The chief product of eight states and the most valuable "money crop" of American agriculture is cotton. (29) While it is grown largely throughout the south, from Virginia to Texas, the belts of greatest production are two. The first extends from south central Alabama across the state to the west, gradually bending to the north and occupying the northeastern portion of Mississippi as far as the Tennessee border. This region corresponds in its outlines with what is known as the "black prairie country." The second region comprises the rich alluvial bottom lands along the Mississippi river in the western part of the state of the same name. The most valuable variety of cotton produced in the world comes from the islands and the lowlands immediately upon the coast of South Carolina. This is the celebrated Sea Island long-staple cotton which brings 20 and 21 cents a pound, while ordinary cotton brings but eight or eight and a half cents.

The low prices which have ruled for cotton since 1897 have disposed the south to diversify its agricultural industries. This situation has pressed home the need of holding for the south all possible profits to be gained in connection with the cotton industry. It has particularly shown the necessity of manufacturing cotton and of developing the cotton-seed oil and cake industry.

The growth of cotton-seed oil mills has been very rapid. In 1885 there were but forty establishments. In 1898 the number was 300.

TOBACCO

At the opening of the century tobacco cultivation was confined almost exclusively to Virginia and Maryland, having been at one time the most important staple exported from the south. (30) The culture has spread westward, clinging quite closely, however, to the established parallels of latitude. Except for cigar tobacco the chief growing regions of the United States are strung in large irregular patches from the Atlantic ocean to central Missouri along the 37 degrees and 39 degrees parallels. The 39 degrees parallel crosses the central Maryland region and the producing section of northern Kentucky and southern Ohio and also that of Missouri. The 37 degrees parallel roughly establishes an east and west axis for Virginia, North Carolina and western Kentucky. Kentucky is now the great center for all sorts of tobacco, except cigar grades, which are grown further north in Connecticut, New York and Wisconsin.

There are many regions in the United States possessing equal facilities for tobacco growing with those to which its culture is confined. While the tobacco plant possesses great facility in adapting itself to different physical conditions, it so fundamentally changes its characteristics as to be readily susceptible of classification according to the region where grown. Inasmuch as the wishes of the consuming public are made known by the popularity of certain brands and varieties, and as the trade handles tobacco on the basis of a well established classification into the sorts which suit the market, the business of growing tobacco is only successful where the product conforms to some popular variety. The introduction of a new variety of tobacco to the trade and to the consuming public is a slow process except where the financial part of it is engineered upon a large scale.

MINOR CEREALS

First among minor cereals should be mentioned rice. The average production is above 150,000,000 pounds. There are two chief centers of production. In North and South Carolina and in Georgia the rice fields are reclaimed swamps, or lowlands, bordering the rivers, and so located that fresh water may be let in upon the fields and be let out either at a lower level, or, if the plantation be near the coast, be drained off at low tide. Southwestern Louisiana has a new but rapidly growing rice industry for which it is admirably fitted.

The growth of barley is largely controlled by the demand for grain suitable for malting. The German immigrant, accustomed to the growing of barley and to the consumption of beer, has exerted a perceptible influence upon the distribution of the crop. The grain is adapted to regions of small rainfall, since it endures drought well.

Oats are chiefly employed as a food for horses and cattle, although recent years have seen a marvellous growth in the popularity of prepared breakfast foods, in which oats are largely employed. There is also a respectable demand for oat straw for manufacturing purposes. The importation of Scandinavian seed is a necessity in the United States to keep the quality of the grain at its highest standard.

Rye is chiefly grown as a forage crop and for the value of its straw in manufacture.

TRUCK RAISING

The extent of the territory of the United States from north to south enables American cities to readily obtain fruits and vegetables at all seasons. During the winter and early spring the fruits of California and of Florida, Louisiana and other gulf states appear in northern markets. As the ripening season passes northward at a rate of 10 to 15 miles per day, each section contributes in turn its supply until abundant fruit and low prices prevail when the harvest season for the fruit and

truck districts of Virginia, Maryland and Delaware has arrived. At about the same period western Tennessee and Kentucky and southern Illinois supply Chicago. Later the local markets contribute fruit which while commanding higher prices is marketed in the most excellent condition. The season closes with the southward shipment of the products of New York, Michigan and Wisconsin. But it closes only to soon reopen in the extreme south; and thus the cycle is repeated.

It is estimated that three fourths of all the truck produced in the United States comes from three sections; the belt of country lying to the east of a line drawn from Macon, Georgia, to Augusta, Maine; from southern Georgia, Alabama and Florida; and from the neighborhood immediately tributary to the north and south railroad lines of the eastern Mississippi valley.

Market-gardening, which is the production of fruit and vegetables so near to the centers of consumption that they can be marketed by the producer personally, and truck growing, which is the same industry carried on at a greater distance from market, have had an unusual development in this country. For this several causes may be mentioned. A considerable portion of the American people live in cities. America is furnished with very superior means of railway transportation. Circumstances have led to the shipment of bulky and perishable food products to American cities, and these have little by little built up the demand for themselves until their use has become a chief characteristic of American diet. The changed conditions in the south since the war have assisted in the movement.

II HORTICULTURE

GENERAL

The consumption of fresh fruit is the distinguishing characteristic of American diet, and in the list of fruits several of tropical origin play a prominent part. To cater to this de-

mand the facilities of industry have been developed to a high degree of perfection. Thousands of refrigerator cars are employed upon the railways of the country carrying fresh fruit in perfect condition from Florida to Canada, or from the Pacific to the Atlantic. These cars are rushed through at express train speeds, being replenished with ice from establishments specially provided at important points. In all the larger markets there are warehouses equipped for cold storage which are capable of classifying goods in separate chambers, keeping each class at its proper temperature. America is the paradise of the fruit grower. There is within the boundaries of our extensive domain every variety of soil and climate, land is cheap, and remunerative returns are quick and certain. Here as nowhere else the finest products are appreciated, and here there is a general distribution of wealth which permits of the purchase of fruit.

POMOLOGICAL SECTIONS

In the northern two tiers of interior states (31) the apple is the dominant fruit, except where the Great lakes moderate the climate in the country immediately south of them and permit the growing of plum, peach, pear, cherry and grape. West of the Great lakes the latter fruits may be found in the second double tier of states. To the above fruits, the southern middle states add a number of semi-tropical products. The Atlantic coast may be divided into four sections; first, New England, producing hardy orchard products; second, the middle states, including New Jersey, Delaware and Virginia, pre-eminent in the growing of small fruits; third, the South Atlantic states, noted for their peaches and watermelons, and fourth, Florida, with a wide variety of temperate and tropical products. The Pacific coast may be divided into two sections of which the northern includes Oregon, Washington and north California. This section has about the same productive range as the middle Atlantic states. In central and southern California is to be

found the finest fruit region of the world; a country in which all temperate and sub-tropical fruits flourish in exquisite perfection.

CANNING

The idea of preserving food in hermetically sealed cases originated in France. The most hospitable reception which has been anywhere accorded to this idea has been given to it in the United States. There are now more canning establishments in this country than in the rest of the world combined. (32, 33)

It was a great event in the history of fruit and vegetable growing industries, in the progress of the grocery trade, and in the evolution of a rational diet when Thomas B. Smith began to can corn in the city of Philadelphia in 1837. This business had a very humble history until the gold discoveries in California started an army of emigrants to the west. Canned foods became an important part of the equipment of the adventurers of '49. The industry was placed upon a permanent footing by the demand for canned foods which arose in connection with the civil war. The greatest center of this industry is at present the city of Baltimore and the country districts within a radius of 50 miles. Canning was first practised at Baltimore in connection with the oyster industry before the growth of the refrigerator car service made the shipping of bulk oysters a success. Beginning with oysters, the business soon included the canning of fruit and vegetables, since otherwise the oyster factories were necessarily idle in summer. The greatest country center for canning establishments is Harford county, Maryland. Delaware and the "East shore" and New Jersey are also prominent. Other centers are the neighborhood of Syracuse, New York, Botetourt county, Virginia, and southeastern Ohio. In the main the canning industry lies to the north of truck growing regions, being best placed in those localities where excellent fruits may be produced, but not early

enough in the season to command high prices if marketed directly.

The state of Maine possesses along its coast a considerable number of sardine canneries. Oregon and Washington are celebrated for the salmon industry. Washington had 45, Oregon 37 and California five canneries in 1899.

About 90,000,000 tins of canned goods are annually consumed in this country. The industry which prepares this vast supply of food products makes an important demand in the fruit and vegetable market, affords the farmer a sale for his perishable products in times of superabundance, widens and enriches the diet of armies, mining and lumbering camps, explorers, and the entire vanguard of industrial settlement. The industry further makes a demand for tin plate, which has been an important factor in the building up of the tin plate industry in the United States. The city of Baltimore is the greatest center in the world for canned food. It is the emporium of the oyster industry, having 67 oyster canneries, and it is the chief city of the trade of Chesapeake bay from the waters of which come one third of the oysters of the world. The state of Maryland alone contains 25% of the American canneries. In Maine, and in the Mohawk valley large amounts of sweet corn are canned. Other centers are southwestern Ohio, east central Indiana and central California. Many establishments are scattered through the states of Illinois, Iowa and Missouri. Chicago is, of course, the chief center for canned beef, while Boston excels in baked beans, brown bread, clams and fish products generally. Salmon are canned in Oregon, Washington and Alaska. Of the two great staple products, corn and tomatoes, corn is preserved chiefly in Maine, New York, Illinois, Iowa, Ohio and Maryland. Tomatoes are canned somewhat further south. The condensed milk industry belongs chiefly to Illinois, Ohio and New York. As specialties may be mentioned, the canned dandelion greens of New York, the pineapples of Baltimore, and the turtle of Florida.

III FORESTRY

EXPLOITATION

The original forests of America were the most extensive and accessible of the world. Though they have been considerably diminished by 300 years of cutting, it is estimated that one third of the area of the United States is at present covered with timber. (34, 35, 36) On this area there is supposed to be 2,300,000,000,000 feet of merchantable timber, or 60 years' supply at the present rate of consumption. One fifteenth of these forests is in public forest reservations.

The implement by means of which this generation has reduced enormous forests to timber is the buzz-saw. There were 21,011 saw mills enumerated in 1890, being widely distributed wherever forests are found, because of the difficulty of transporting logs in pioneer regions. (37) The lumbering operations which were first inaugurated on a large scale in Maine were later transferred to New York and Pennsylvania, but the full development of the industry was not reached until the timber supplies of Michigan and Wisconsin were marketable. The first steam saw mill was started in the Saginaw valley, Michigan, in 1834. All operations were however meagre for many years following, and until the tide of emigration, which was checked from flowing into the northwest during the civil war, was resumed after 1865.

In the latter part of the sixties lumbering began in Michigan and Wisconsin and passed to its golden age in the seventies. Chicago then became the greatest lumber center of the world, receiving in a single year as much as 2,000,000,000 feet. These achievements can no longer be equalled in the northern pineries.

Meanwhile the south has been opened and is now entering upon its most brilliant period of exploitation. The same may be said of the Pacific douglas spruce and red-wood industry.

PRESENT SUPPLIES

Our present merchantable supplies include in the west the spruce and fir about Puget sound and the Pacific yellow pine

and sugar pine of mountainous districts. On the western slope of the coast range of California, in the Sequoia forest, lumbering has yielded the greatest product of timber per acre that has ever been recorded. The south possesses considerable areas of long-leaf pine, besides cypress, oak and other timber. Supplies still remain in Wisconsin and Michigan, while Minnesota has a large lumber industry, maintaining numerous establishments on the upper waters of the Mississippi.

The eastern part of the region drained by the Ohio river and its tributaries is the center of American hard woods. In the southern and eastern parts of this field are found large supplies, specially attractive to the manufacturers of wagons and agricultural implements.

Three industries which are always closely connected with forests, are the production of turpentine and naval stores, the tanning and the furniture industries.

TURPENTINE AND NAVAL STORES

The southern long-leaf pine forests which yield turpentine and naval stores begin in North Carolina near the Virginia border and pass in a compact belt across the state, through South Carolina and Georgia, and thence west across Alabama, Mississippi and Louisiana to eastern Texas. The belt has a width varying from five to 100 miles and a total area of 130,000 square miles. While naval stores are produced in Austria, Spain, Portugal and Russia, the United States produces 9/10 of the entire supply. The chief market for tar and crude turpentine is Wilmington, North Carolina, and for naval stores, Savannah, Georgia.

TANNING

Tanneries are to be found in the neighborhood of all large cities. (38) The entire Appalachian forest region stands out prominently, however, including 9/10 of the establishments in the country. Pennsylvania, northwestern Virginia

and southern Ohio are localities to be mentioned, while in the south establishments are distributed more or less sparsely from central North Carolina to the south and west as far as central Tennessee and northern Alabama.

FURNITURE MANUFACTURE

The manufacture of furniture is carried on by some 900 establishments, located chiefly in the North Atlantic states and the region north of the Ohio river. (39) The present strongly marked tendency is toward the growth of specialization in manufacture, each plant producing but a small group of articles. The trade undergoes various evolutions caused by such changes as the elimination of the wardrobe by building closets in houses, or the disuse of the commode caused by the introduction of the stationary washbowl. The iron bed also has made room for itself, while at present the cabinet builder has the advantage of the furniture dealer in building sideboards and hall-racks into houses. A general improvement in the artistic side of the industry is noticeable, much furthered no doubt by the annual exhibitions which are features of the trade, particularly at Grand Rapids, Michigan.

CHANGING CONDITIONS

Throughout the entire country the character of the lumber industry is perceptibly changing. Within a few years the value of stumpage has increased five and six-fold, while the price of lumber, although affected in the east, has not changed greatly in the middle states. The decrease of profits has led to more careful logging and to a consolidation of all the operations of the business into the hands of large corporations in such a manner as to make possible every economy which ingenuity can suggest or money provide.

The effect of the growing scarcity of timber may be noted in several ways: wood is being replaced by brick, stone and iron

in construction; hard wood has driven out soft wood for interior decorations; iron is increasingly being substituted for wood in the manufacture of vehicles and agricultural implements. Incidental changes, significant as signs of the times, such as the passing of pine sidewalks and the substitution of other woods for pine in box manufacture, may be noted.

It seems evident that the future will require a continuance of this process of replacing wood with other substances, and a further process of replacing pine and oak by other varieties of wood, carefully adapting each to its proper uses. Public opinion will increasingly demand that our existing natural forests shall be rationally exploited and that the state shall extend its present activity in the protection of timber from forest fires and in the reservation of certain tracts required to regulate the flow of rivers.

IV ANIMAL HUSBANDRY

CATTLE RAISING

The earliest cattle, horses, sheep and hogs imported into the new world were brought by Columbus on his second voyage. The progeny of this Spanish stock spreading through the southern portions of the North American continent, receiving little care and picking up their living from the native grasses, produced a stunted, inferior type of animal. The restocking of the country from northern Europe, followed by care in breeding, has been the foundation upon which American improvements have been made. In the early days of settlement grazing was a pioneer industry, as the cow-pens of the western Carolinas attest. This forerunner of compact settlement had reached the Mississippi by the middle of the century. Texas, after its admission to the Union, became the source from which the great plains were stocked and the source from which the meat supplies of the mining population of the west were replenished.

The great increase of railroad building after the civil war "opened a vast territory in advance of compact settlement and provided a market for a vast grazing industry". As settlement has pre-empted the water courses of the plains, the ranch industry has retreated westward until at the present time it has well-nigh disappeared into the higher altitudes, but equally suitable climates, of Montana, Wyoming and the Rocky mountain and Basin states generally. (40, 41)

SLAUGHTERING AND MEAT-PACKING

In colonial times cattle were driven to market. The spread of settlement soon made it impossible to bring cattle on hoof into the eastern cities. Slaughtering centers therefore grew up near the supply regions. Albany, as the eastern outlet of the Mohawk valley, was once prominent; later Cincinnati became known as "Porkopolis". The highest achievement was next made at Chicago and while that city is still a great market there are now a half dozen Missouri river cities gathering in the cattle from the western plains. In 1896 the United States produced more than one fourth of the meat of the world.

The concentration of the industry permits the economy of a proper division of labor and the use of machinery. It permits also a quick, cleanly and scientific treatment of the products. The slaughterhouse of the local butcher is obnoxious because of the lack of appliances for disposing of waste products. The large establishments are able to use every part of the animal; the hair, hoofs, teeth, horns, intestines, bones, etc. The profits resulting from this saving alone are claimed to be sufficient to give to the great packers their monopoly of the business.

HOG RAISING

The hog industry is a portion of the economic problem presented by the abundance of the Indian corn crop. Ninety per cent of American hogs are fattened upon corn. While it is impossible to market a very large amount of corn in Europe, it is

readily absorbed when transformed into hams, lard, etc. The cost of transporting Indian corn from the western part of the corn belt to Chicago would be so high as to eat up all possible profits to the farmer. It is estimated that one bushel of corn can be transformed into 10 pounds of pork. Remembering that a bushel of corn weighs 60 pounds it will be seen that there is a concentration of weight from six to one. There is also a concentration of bulk. This greatly simplifies the relation of the farmer to the railroad.

It is interesting to note that although hog raising is so important an industry in the United States, we annually import 1,500,000 pounds of hog bristles. The American hog is a thoroughbred animal, and being well fed does not produce the long, stiff bristles required for trade. Russia is the chief country of supply.

SHEEP

The sheep-raising industry is "like a man to double business bound", halting between the production of mutton and the growing of wool. The breed of sheep early prominent was the Merino. Recently the desire to market mutton, coupled with the uncertainties of the tariff and the strong competition of other countries in sheep-raising, have led to the introduction of Shropshires and Cotswolds. We produce our entire supplies of cotton, but the sheep-raising industry of Argentine and Australia has prevented American farmers from getting control of more than 60% of the home wool market. The southern states are in many ways admirably fitted for sheep-raising and the industry would be prosperous were it not for the friendship which exists between the poor whites, the negroes and the yellow dog. For some years prior to 1892 the losses of sheep in Alabama on account of dogs has averaged 20%.

HORSES

The American horse is a trotter rather than a running or saddle horse. The reason for this is that the United States

has never had a strong military establishment to popularize a cavalry animal. The light serviceable buggy and the American elliptic spring have favored the adoption of a trotting horse for recreation. America has for some years produced the fastest animals in the world and exported them in large numbers. The process of selection and of training which has resulted in the best type of American horses was at first a slow one. The notable centers which have contributed to the present results are Kentucky and southern Virginia, and more recently, California. Inasmuch as the Northern states held aloof, on moral grounds, from all trials of speed, for many years they did not contribute to the development of the American horse until after 1825.

In the west the middle-weight draft-horse is now popular and this section is importing breeding stock from every country in the world. Before many years we may look for the evolution of a fine horse of this type in the Mississippi valley.

MULES

The south is pre-eminently the home of the mule. It is said that where the negro is found, the mule will always be found. But in the earliest colonial days the rich planters were not slow to see the advantages of breeding mules. It is said that Washington was the first person to successfully breed mules on a large scale. The mule will bear more neglect than the horse, but because it can perform more work and is practically free from disease it demands a very high price. The excellence of American mules may be seen from the fact that Great Britain has within a few months purchased over 11,000 animals for shipment out of the country.

DAIRY INDUSTRY

The concentration of the slaughtering and meat-packing business in large establishments has brought the buying of

cattle into the hands of agents who deal preferably with large stock farmers. The ordinary farmer can not so readily finish and market a few head of cattle as formerly, and has turned his attention to the dairy industry. The United States produces one third of the world's dairy products, or an amount valued at \$500,000,000. This represents approximately one eighth of the value of the country's argicultural products. In a sentence, it may be said that the region pre-eminent in this industry is that lying to the south of the Great lakes and climatically controlled by these bodies of water. (49)

An extension of the industry to the west of the Great lakes, but following approximately the same line of latitude, will be noticed which is due to the profits of combining the creamery industry with hog raising in the corn belt. For the rest, the industry seeks a firm clay loam more suitable for grass than for grain. Such a region is found stretching across the northern part of Ohio from east to west. The making of cheese should in general be carried on in a cooler climate than the production of creamery butter, since the product is more slowly matured to marketable condition and bacilli have more opportunity to spoil the flavors so important in determining grades of excellence. Cheese making should be located north of the corn belt because of the heat required to mature corn. New York produces one half of America's cheese; Wisconsin is also a prominent state. The most rapid growth has for some years been achieved by the creamery industry. The adoption of the cooperative principle has been very general in Iowa, Minnesota, Wisconsin and Illinois. To indicate what importance this industry has already attained the fact may be mentioned that in the single state of Iowa there were in May, 1889, 779 creameries supplied by 2298 patrons, and using the milk of 625,512 cows. The geography of both the cheese and creamery industry is being changed by the rapid expansion of the milk trade. Milk trains are annually reaching further into the dairy country contiguous to our great cities. The trains

for New York already start from the neighborhood of Buffalo, while the Chicago service extends to the northwest as far as Janesville, Wisconsin.

V FISHERIES

Chemistry has dissipated all prejudices against fish foods. The refrigerator cars and the sealed can have made it possible to put these foods before the public in attractive condition, and the American manufacturer has so learned to utilize waste products as to be able to market fish at a price lower than most other meats and still earn a profit. The growth and permanence of the American fishing interests are therefore assured if provision is made that our fishing grounds are not ruined by unrestricted exploitation. The number of vessels engaged in the ocean fishing trade in 1898 was 5197, not including 1036 vessels engaged in carrying fish. (43) The abundant stores of sea products distributed by nature along the Atlantic coast are utilized from the sponge fisheries of southern Florida, with headquarters at Key West, to the sardine fisheries of eastern Maine, with headquarters at Eastport, and the lobster fisheries of the same state centering at Portland. Massachusetts has at Boston a great general fish market, at New Bedford the headquarters of the American whaling fleet, and at Gloucester a fleet engaged in cod fishing. Passing down the coast we find a curious industry built up to utilize a fish formerly supposed to be worthless. The menhaden is a fish plentifully represented in American waters, now caught in enormous quantities and used for the manufacture of fertilizer and fish oil. Business is largely controlled from Greenport, Tiverton and New London. Upon Long Island sound are numerous clam fisheries, Guilford, Conn., being probably the greatest center. Chesapeake bay is famous the world over for its oysters. The beds belonging to the state of Maryland alone cover 293 square miles and give employment to 35,000

persons, or one fourth of the total number engaged in fishing in this country.

Now that railway communications have been improved in the south, the ports of the Gulf of Mexico, are rapidly building up a fish trade with the north, furnishing their oysters, turtle, terrapin and other varieties. The Pacific possesses at the north the invaluable seal fisheries of Alaska and the equally noted salmon fisheries of Alaska, Washington and Oregon. San Francisco is the center for a small whaling fleet. Southern California supports a small industry for the canning of sardines.

The Great lakes supplement the coast supplies by a choice variety of fresh water fish. In 1899 there were 185 steam and sailing vessels employed. Lake Erie and Lake Michigan are especially prominent. The chief varieties of fish marketed are herring, white fish, lake trout and sturgeon. A feature of the industry is the establishment of immense freezing houses where in winter tons of fish are frozen into ice blocks to be removed and distributed in refrigerator cars to distant markets as required. In the seine fishing of Lake Erie single nets are used which are 20 miles in length and must be tended with steam launches. This lake produces more fish than any of the other lakes, and Sandusky, Ohio, claims to be the first fresh-water fish market of the world. Lake Huron is noted for lake trout and Lake Michigan for white fish. The resources of Lake Superior have not been explored to any considerable extent.

American inventive genius has equipped the fishing industry with the purse-seine, refrigerating chambers for fishing vessels, the refrigerator car, the canning industry and cold storage establishments. The fishing interests are by no means limited to the simple production of human food. In addition to seal and porpoise fisheries carried on for skins, menhaden and shark are captured for oil and these with other fish furnish glue, fertilizer, isinglass and numerous other products.

VI MINING

GENERAL

Notwithstanding the eminence of the United States as an agricultural country she is able to make a good showing in the mineral industries. She occupies first rank among nations in the production of iron and steel and coal, the fundamental metal and mineral products of the age. The manufacturing of steel is a particularly crucial test of industrial superiority. The United States produced over 9,000,000 tons in 1898. The second country is Germany, producing over 5,500,000 tons. She is likewise first in the production of copper, supplying over half the world's product; and of petroleum, supplying exactly half. If the gold fields of the world be grouped in large areas the United States is third, Africa being first and Australia second. In the production of silver precedence is yielded only to Mexico.

REGIONS

The mining districts of the east are, broadly speaking, controlled by the general trend of the Appalachian mountains. (44) On the east side of these mountains, from the Hudson river to Georgia, there extends a more or less continuous line of magnetic iron ore deposits. This is paralleled by a zone of low-grade gold ores and by another of copper ores. West of these regions are found the brown hematites, most valuable in Alabama, Tennessee and Virginia. Passing to the interior basin of the continent we find the eastern and central part underlaid by vast fields of coal. The metal deposits appear in groups. One such group contains the magnificent copper and red hematite iron ore deposits around the head of Lake Superior. Another group constitutes the lead and zinc and red oxide of iron of Missouri.

In the western part of the United States the grouping of metals is most striking, as it assumes the form of a series of

irregular bands or belts extending from north to south and corresponding to the longitudinal trend of the mountain systems. Passing westward we first note a sharply defined gold belt found in New Mexico, Colorado, Wyoming and Montana. West of this and extending through New Mexico, Utah and western Montana is a line of silver lodes. A second line of silver mines stretches from Mexico to Idaho, through Arizona and Nevada; while a third chain skirts the eastern slopes of the Sierras. The western foot-hills of the Sierras are so marvellously rich in gold veins and placer deposits as to be known to all the world, while shortly further down into the valley of California is a copper belt. The region of the Coast ranges affords quicksilver and iron.

IRON

Throughout the Appalachian region from northern Pennsylvania to the middle regions of Alabama there are supplies of iron ore. (45) The finest body of ore in America, or in the world, lies about the western end of Lake Superior, in northern Michigan and Wisconsin and eastern Minnesota. The distance at which these ores lie from the great iron markets has delayed their development until a recent period. The economic problem of carrying this high grade iron ore to coal has been solved however by the creation of one of the finest fleets of freight steamers extant. These vessels plying upon the Great lakes and capable of carrying in a single cargo from 3500 to 6500 tons of ore are supplemented by every facility in the shape of ore docks, car dumpers and ore conveyors, which ingenuity can devise. The Lake Superior region, Lebanon co., Pennsylvania, and the west shore of Lake Champlain, together with the district lying partly in eastern Alabama and western Georgia, furnished 73% of the iron ore produced in the United States in 1889. The iron industry is at present rushed to its utmost capacity by the extraordinary demand for all forms of manufactured steel. It is estimated that

90% of the tonnage of the Great lakes is already chartered to carry ore eastward during 1900.

COAL

The 194,000 square miles of coal fields belonging to the United States give it a supply averaging one square mile of coal field to each 15 square miles of territory. The meaning of this may be seen when it is remembered that the ratio for Great Britain is 1 to 20 and for France 1 to 200. With the exception of anthracite coal beds covering 500 square miles in eastern Pennsylvania, but averaging 60 feet in thickness, and excepting also one or two small patches of coal in Colorado and New Mexico, the above figures refer to bituminous or soft coal.

The eastern portion of the United States contains five great coal beds: (40) first, the Appalachian field extending from the northern boundary of Pennsylvania to central Alabama; second, the Illinois-Indiana field which extends into northwestern Kentucky; third, a field 150 miles wide extending southward from central Iowa, covering Indian Territory and sending one arm across Arkansas and another to central Texas; fourth, a line of strata in Texas from the northeastern corner of the state to the Rio Grande river; fifth, the central Michigan field.

The western fields do not lie in large continuous sheets but constitute small, isolated pockets averaging 25 miles in width and 50 miles in length. Such beds may be found throughout the entire Rocky mountain region from Montana to New Mexico, numbering in all 45 distinct beds in Colorado, Wyoming and the two states mentioned. To the west of this group of detached fields we find Idaho having four small beds; Washington, four; and California, five.

It has often been said that the interior location of American coal supplies prevents the building up of an export trade in coal. With the exception of the fact that this location increases the price of coal for ocean steamships, it is a condition of things

on the whole fortunate. As the center of population moves toward the west our coal supplies will be progressively better placed to nourish those industries which require the use of large amounts of power and heat.

PETROLEUM

The petroleum industry of the United States needs no description inasmuch as it has become famous throughout the entire world. The product averages 60,000,000 barrels annually, reckoning 142 gallons to a barrel. Up to the present time about 98% of American petroleum has come from Pennsylvania. Other producing states are New York, Ohio and California. This industry is equipped with appliances for cheaply pumping crude oil from the oil fields to the refineries located upon the Atlantic coast and elsewhere. Thousands of steel tank-cars carry the refined product to every town in the country and tank steamers distribute the product in bulk to the ports of the world.

NATURAL GAS

The use of natural gas as well as of petroleum was first developed on a large scale in the United States. The regions producing natural gas are at the present time quite extensive and will remain so for some years. It is estimated that the average life of a natural gas well is 11 years. New producing localities are constantly being discovered and the boundaries of old fields are in some cases being enlarged. Natural gas supplies a clean, convenient and low-priced fuel and when the pressure is good affords an invincible attraction to the manufacturers of glass, brick, lime and iron and to a large range of interests using power and heat freely. Two direct products of natural gas are lampblack and carbon points. This fuel is being used in increasing degree as a fuel for domestic heating. Pipe lines have already been laid to connect most of the large cities of the northeastern states with the centers of natural gas supply.

BRICK

It is estimated that there are over 8000 brick manufacturing establishments in the United States. A prominent directory of the industry enumerates 5570 plants, (47) Ohio leading with 814, Illinois following with 609, Pennsylvania third with 484. In the east the establishments cluster around large cities more than in the west. The brick yards of Greater New York are close to the Hudson in the neighborhood of Kingston and Poughkeepsie, where the industry is favored by inexhaustible clay banks, cheap cord-wood from the hills, and river transportation which leads to all the city wharves. In the west, the central and northern portions of Ohio appear to be prominent. There fine shale beds exist which are well adapted to the manufacture of vitrified brick. Central Illinois, Indiana and Iowa are thickly studded with brick yards, while a line of plants fringes the western shore of the Detroit river and of Lake Michigan.

SALT

The salt industry is governed in its location primarily by the existence of supplies of salt, particularly of strong brines. It is also conditioned by the existence of a climate suitable for solar evaporation, or plentiful coal. It requires cheap transportation facilities. There are in all 10 important centers to be distinguished in the United States. (48) Two of these are in New York, four in Michigan, four are distributed, one each in southern Ohio, central Kansas, Utah and California. Outside of these centers there are some 33 isolated plants. The Onondaga, N. Y., district centering at Syracuse employs brines containing from 15 to 17% of saline matter. It has the advantage of location on the Erie canal. A feature is the development of alkali manufacture. Some distance west of Syracuse in the Warsaw and Genesee districts, brine is found which contains from 23 to 25% of saline matter. Here a great industry has been built up. In southern Ohio brines are pumped from a considerable depth and are

evaporated with the cheap fuels from the Pittsburg regions. This salt is transported to southern cities and is marketed almost exclusively by way of the Ohio river. In eastern Michigan a considerable industry was some years ago built up employing the exhaust steam of saw mills to evaporate brine. With the waning of the lumber industry the salt industry would have been destroyed had not a cheap coal been discovered which could be mined in the neighborhood.

Central Kansas has salt mines as well as salt wells and produces a product adapted to the demands of dairy farmers and cattle raisers. In Utah a coarse salt is produced by solar evaporation, some establishments employing the waters of Great Salt lake. The industry in this locality is controlled by the prosperity of the silver mines, inasmuch as the product is largely used in the reduction of silver ores. California also produces salt, having the only American establishments using sea water and solar evaporation.

ALUMINUM

There are ample deposits of clay suitable for the manufacture of aluminum in the United States. Inasmuch as electricity is indispensable for the manufacture of aluminum the industry centers in those regions where an abundant electrical supply can be produced from water-power. A large center of the manufacture is at Niagara Falls.

GLASS

The manufacture of glass requires cheap coal or other fuel, a supply of skilled labor and good facilities for transportation. (49) Four centers of the industry may be distinguished in the United States: Pittsburg; the natural gas region of Indiana; the city of New York; and Philadelphia together with the southern portion of New Jersey. The manufacture of plate-glass centers conspicuously at Pittsburg, where is located the largest establishment in the world. The production of leaded-glass is confined almost entirely to New York city.

MINOR MINERALS

Two localities control the slate market of America; the first is a field extending to the southwest from the western central part of Vermont and lying partially in eastern New York; the other field occupies the Lehigh region of east central Pennsylvania. The phosphate industry some years ago attracted great attention and enlisted the outlay of a large amount of capital. The business is not now as prosperous as it once was, chiefly owing to the fact that fertilizers are produced as a by-product of the blast furnace industry and in connection with other manufactures. The most important phosphate deposits are found extending in irregular areas from north to south through the central and western parts of Florida, and lying upon the coast of South Carolina in the neighborhood of Charleston. Phosphate rock is also mined to the west of Columbia in central Tennessee. The granite rocks of New England are themselves a valuable and marketable product. (50) The industry has been developed throughout the state of Maine from east to west, in central Vermont, and southward through Massachusetts. Southern New York and northwestern New Jersey have also a number of quarries, and a local industry has been built up in the neighborhood of Philadelphia and Baltimore. Outside of the district mentioned, three small groups of quarries exist. The first is in northern Georgia centering at Atlanta; the second lies 50 miles northwest of Minneapolis, and the third is in central California. Scattered quarries may be found in Virginia, South Carolina, Wisconsin, Colorado, southern California, southeastern Missouri and central Texas.

Various minor minerals, some of them chiefly produced in some one locality or district, may be mentioned as small items in swelling the sum total of America's mineral products, but important by reason of their convenience to industry. Hot Springs, Arkansas, has almost a monopoly of whetstones; the great borate belt in the Mojave desert, California, produces large quantities of borax; magnesite comes chiefly from Napa

county, California. Ticonderoga, New York, is the source from which American graphite comes; Rossiclaire, Illinois, produces fluorspar and Harding county, Kentucky, excels in lithographic stone.

VII MANUFACTURE — GENERAL CONSIDERATIONS

To those who hold in their minds a mental picture of the United States as a country primitive in the economic sense, the achievements of American manufacturers will be a surprise and the development of the country along the lines which indicate industrial maturity will not be readily understood.

While the United States is pre-eminent in the production of surplus food products and of lumber, iron, and the metals generally, the effect of exporting these articles is to draw from Europe manufactured products in such quantities as to keep the tastes of the American consumer constantly not far from those of Europeans as regards the refinements of life. This is a very small item, however, in the main problem. The chief fact which must be grasped is that a country rich in resources and inhabited by an ingenious people can not fail, if social or political institutions do not prevent, to rapidly produce an abundance of wealth. A portion of this wealth is quickly freed from expenditure for what are usually designated as necessities. Inasmuch as cheap raw materials conduce more prominently to cheap necessities of life than almost any other circumstance, the fact is easy to appreciate that in a country like the United States, where wages are high, there must be a large amount of wealth free to demand the best that human toil and genius can produce. The surplus of American incomes is proverbially used to pay the expenses of travel, to purchase luxuries, books, and the conveniences for which American life is noted. A demand is not long unsatisfied among a people as capable com-

mercially as are Americans. The result is the presence everywhere of industries supplying the refinements of life. Progress in the establishment of American manufactures has undoubtedly been somewhat quickened by a protective tariff, but the tariff has had the effect rather to simply turn the mind of the people toward the solving of certain economic problems than to cause national sacrifice for the support of untimely industries.

The manufacturing industry of the United States is abundantly supplied with most of the raw materials necessary to bring into existence goods for human consumption. In 1890 it was estimated that the value of raw materials entering the manufacturing process was \$5,000,000,000. Their value as manufacturing products was estimated at \$9,000,000,000. (51) The 5,000,000 persons engaged in manufacturing occupations produced this result and handed the physical products over to the mercantile distributive system, which, with the aid of the means of transportation and the equipments of wholesale and retail trade, circulated the economic goods of the country to each consumer, giving to these goods their highest time, place and quantity utility.

VIII MANUFACTURE — THE IRON INDUSTRY

GENERAL

Americans are peculiarly a machine inventing and a machine using people. The quantity of steam-driven machinery is indicated by the number of foot-tons of steam power exercised daily, a number larger for America than for any other country.

The importance of excellence in the machine industry may be seen by a quotation from an English political economist, J. R. McCulloch: "The production of machinery is itself a branch of manufacture, success in which depends on the same circumstances that determine success in other branches. It is,

however, in so far peculiar that superiority in it conduces more directly than superiority in anything else, to the improvement of all descriptions of manufacture. Machines are the tools or instruments by which most industrial undertakings are either wholly or partly carried on."

BLAST FURNACES

From the mines the iron ore must be moved to coal and specially coking coal. The two products unite in the blast furnace industry which in America centers at Pittsburg and the surrounding regions. (52, 53) The estimated capacity of American blast furnaces on January 1, 1898, was 225,000 tons of metal per week, and from them nearly one third of the world's supply was produced.

STEEL WORKS

From the blast furnace pig-iron passes to steel works and rolling mills. (54) Again Pittsburg is in control with 76 rolling mills and 51 steel works. Chicago, New York, Cleveland and Philadelphia are important, while many establishments are distributed through southeastern and southwestern Pennsylvania, northeastern Ohio and central Indiana.

VARIOUS MANUFACTURES

From these establishments steel is distributed to the manufacturers of bridge beams, nails and wire, to shipbuilders, car and locomotive builders and iron and steel workers generally. Each industry varies somewhat in its geographical distribution from the others, but the entire family of iron industries is strongly concentrated in the northeastern states, the great cities being the attractive locations. (55, 56, 57, 58, 59) Important products of manufacture not mentioned are railroad and structural iron, machinery, engines and boilers, stoves, hardware and cutlery. Even the minor branches, often forgotten, add to the sum of the vast interests involved in the handling of this one metal. In the manufacture of shears alone 1000 people are en-

gaged, while the production of pocket-knives engages twice as many, and of files 2400. One thousand persons are devoted to the manufacture of horse shoe nails and 5000 to the manufacture of wire nails. The 7000 persons employed in the American barbed-wire industry produce 90% of the world's supply of this material.

IX MANUFACTURE — THE TEXTILES

GENERAL

The value of the products of the entire group of textile industries in 1890 approximated \$1,134,971,778. The nearest related group of industries in the value of product was the iron and steel industry with a total of \$1,096,163,056. Each of these groups constituted roughly one ninth of the manufactured values of the United States as reported by the census. Our textile manufactures are at the present time very nearly tied with those of the United Kingdom in value.

CENTERS OF TEXTILE MANUFACTURE

The original home of textile industries is southern New England. (80) Here there may be found such cotton mill towns as Fall River, Pawtucket, New Bedford, and Providence; such woolen centers as Lawrence, Woonsocket, Worcester, and the region between these two towns, or more generally, the country to the southwest of Boston. New England contains groups of knit-goods manufacturers in Boston and to the southwest, also in Lowell and near Providence. For the silk industry the southern New England states can make a fair showing in the Willimantic valley and the Connecticut river valley.

While the origins of most branches of textile manufacture can be traced to New England, and while that region is still the greatest seat of the industry, it is noticeable that cotton manufacture is moving southward and woolen manufacture

westward. This is but the natural effect of the endeavor of newer sections to round up the circle of their industries along the lines indicated by the raw materials, which they can most easily furnish. New England will still retain control of the more intricate and artistic branches of the weaving industry.

COTTON

We use somewhat less cotton and somewhat more wool than the United Kingdom annually. There were in 1889 nearly 18,000,000 spindles in operation. (61) New England produced six sevenths of the print cloths and fine goods. The middle states produced largely sewing cotton, yarns, duck and upholstery goods. The mills of the south are devoted to yarns, sheeting, and the cheaper grades of goods. The cotton manufacturing industry is growing with great rapidity in the southern states. It now includes nearly one fourth of the spindles, being located (62) in the Piedmont regions of central North Carolina, western South Carolina, northern Georgia and north-eastern Alabama.

WOOL

In the manufacture of woolen goods the United States takes third place among the nations. The circumstances affecting the growth of wool have already been touched upon. The manufacture of woolen goods received a great stimulus during the civil war, when New England suffered a cotton famine similar to that suffered in Great Britain. Philadelphia is the pre-eminent metropolis of the industry. (63) There are in that city 431 mills, while 97 others are in the southeastern portion of Pennsylvania. Other prominent districts are southern Massachusetts, Rhode Island, central Maine and southeastern New Hampshire. Aside from small groups at Chicago, Milwaukee, Cleveland, Cincinnati and Louisville the distribution of factories is remarkably uniform east of a line drawn from Minneapolis to Kansas City, and thence to Columbus,

Georgia, ending at Charleston, South Carolina. A string of 12 mills standing almost in a line through the central part of Utah may be mentioned as outside this district.

A subdivision of the woolen industry, namely the manufacture of carpets, is highly developed in the United States, primarily because of the success of American inventions for mechanical weaving. The general prosperity of the American population coupled with the necessity for a floor covering in frame dwellings, early made the use of carpets nearly universal. Only of recent years has the rug been able to win popularity. Carpet manufacture is located at sea-ports, inasmuch as we do not grow the coarse wools used in carpets. The various materials employed, such as wool, jute and linen, are most easily assembled at a port; that port is Philadelphia. We import carpet wools for the same reason that we import hog bristles; namely, because the finely bred and well-fed sheep which it pays best to raise in the United States does not produce coarse wool.

KNITTING

The invention of steam knitting machinery is of American origin. At first the English machines for the production of full-fashioned underwear were employed, but with the advent of a circular knitting machine capable of producing seamless garments, the full-fashioned underwear decreased in popularity. The development of the industry has been stimulated by these improvements and given a distinctly American character. Ribbed hosiery and underwear is also an American product, having first appeared on the market in 1884 to meet with almost immediate favor. The number of mills catalogued in the leading textile directory is 1252. (64) Of these Philadelphia has 190, while in the neighborhood of that city there are 61 more. Cohoes and Amsterdam in New York state, constitute a unique center, depending upon the presence of ample water power. Cohoes contains 33 mills, Amsterdam 30, and the neighboring towns and suburbs 55 more. Other general centers are southeastern

Massachusetts, particularly between Boston and Providence; eastern Pennsylvania; and the Mohawk valley. Small groups of mills are in Cleveland, Cincinnati, Chicago, and southeastern Wisconsin. Practically the entire industry is included, however, in Pennsylvania, New York and southern New England.

SILK

In colonial days silk thread was worth one dollar per ounce, and it was very much the style for women of wealth and refinement to be seen spinning their own silk for fancy work. In 1830 a craze was developed in this country for the raising of silk-worms. Although this industry came to a very unprofitable end between the years 1839 and 1843, it originated certain business concerns which struggled on through the years of slow growth until the protective policy adopted subsequent to 1860 ushered in a more prosperous era. The industry is now firmly established in this country and inasmuch as the United States is on an equal footing with European countries in the matter of raw materials the future of the industry depends upon the development of a skilled body of employees and the perfecting of labor-saving devices.

The great center of the silk industry is Paterson, New Jersey, which well deserves the title, "The Lyons of America." (85) The second center is New York city. The throwing branch of silk manufacture has been for some years moving westward into the iron regions of Pennsylvania. Two reasons suggest themselves for this movement. The first is that, inasmuch as the throwing branch of the industry is comparatively simple, employing women and children chiefly, it is suitable for establishment in an iron region where the labor of the male population is utilized, but where an adequate employment for women and children is lacking and the price of their labor is consequently low. An additional reason is that the migrating establishments reach a wage-earning population at present unorganized and hence not likely to originate labor troubles.

The weaving and dyeing branches of silk manufacture are still controlled by Paterson and New York. They require complex machinery, and so must be near a center able to provide all equipments of the trade. They also require skilled labor and must locate in a well established silk center.

X MANUFACTURE — MISCELLANEOUS

LEATHER INDUSTRY

The tanning industry is elsewhere referred to. The chief American markets for raw hides are naturally the centers of the slaughtering industry and those ports engaged in commerce with South America. From the tanneries, which, because of the lack of suitable forests elsewhere, are situated east of the Mississippi river, the leather is distributed to boot and shoe manufacturers and the makers of harness, belting and leather goods.

The factory system has seized firmly upon the manufacture of shoes and has driven out the village shoemaker, or has reduced him to the position of a humble repairer. Eastern Massachusetts is still the great center of the industry, prominent localities being Haverhill, Lynn, Marblehead, Beverly, Brocton, and Salem. (66) The industry is rapidly changing its center, however, following the hides and the tan-bark and the center of population toward the west. (67) Establishments in Cincinnati and at points in Ohio, in Illinois and in surrounding states are fully equipped to hold their own markets in competition with any distant shippers.

GLOVES

The location of the manufacture of gloves (68) shows the strong influence of the once popular buckskin glove. Made from deer skin, these gloves were about the only sort demanded by the pioneer population. Buckskin is superior in flexibility to calfskin and in resisting moisture to sheepskin. The chief American centers for the manufacture of gloves are

Gloversville and Johnstown, New York. These places were located accessible to the supplies of deerskin from the Adirondacks. The first shipment from Gloversville was a bagful of gloves brought by a country storekeeper on horseback to Albany in 1809. There are now a large number of establishments in the two cities mentioned, and for 20 miles around the farmers carry on certain processes of the manufacture. Wisconsin has a number of establishments in Milwaukee and in Berlin. The latter place still produces buckskin gloves chiefly.

SUGAR

The United States at present possesses a strongly organized and well equipped industry for refining sugar. The centers of the industry are Brooklyn, Philadelphia and other Atlantic ports suitably located to receive West Indian supplies. Several large establishments are located upon the Pacific coast, employing Hawaiian supplies. A new departure is the sugar beet industry. Extensive experimentation is now being carried on in all parts of the United States by private parties, agricultural colleges and by the Department of agriculture to determine what localities are suited for the production of sugar beets. Where experiment has proved successful plans are on foot for the erection of refineries. In 1898 there were nine refineries in operation and nine others were being built.

PIANOS

The manufacture of pianos is an industry closely confined to large cities. It requires the presence of a large market for skilled labor, and must utilize imported woods, delicate products of iron and steel manufacture, and a large number of subsidiary supplies. The trade is more or less clearly defined as a luxury and success is achieved through the establishment of a celebrated name. The total number of manufacturers in 1899 was placed at 215. Of this number New York city has 68 factories, Chicago 27, with four others near by, Boston 20,

Philadelphia 8, Cincinnati 7, Brooklyn 6 and San Francisco five. (69) Establishments may be found in smaller cities in the region lying between southern New England and the Mississippi river, including central New York, eastern Pennsylvania, northern Ohio, eastern Indiana and northern Illinois.

The manufacture of pianos is a pre-eminent industry in this country, owing largely to the numerous improvements which are of American origin. The most fundamental of these is the introduction of the iron frame made in a single casting. This has revolutionized the industry. The instrument produced is very durable and holds its tone in moist and torrid as well as in dry climates, being suited to American conditions and to the export trade generally. No European pianos are imported into this country, but American makes may be found all over the world. The five largest piano manufacturers in the world are in the United States. Two are in New York; one each is in Chicago, Boston and Baltimore.

MUNICIPAL SERVICE INDUSTRIES

The industries connected with the supplying of such public services as light, water and transportation in cities are necessarily important in a country having as large a proportion of its population urban as the United States. The first of these services introduced was naturally waterworks. A plant was completed in Massachusetts in 1822 and a number were built in 1835, and the succeeding years, especially in the later forties, while the increase has been rapid in recent years. The rule for this industry is municipal ownership. (70)

Street railways were introduced in New York in 1832. One was operated in Alabama as early as 1838, one in Connecticut and Delaware in 1839. There is no municipally operated street railway system in the United States at present.

Following the use of lanterns and of stationary lamps on poles for street lights, came gas as a means of private and street illumination. This industry attained a considerable de-

velopment, especially in the east, before the advent of the electric light. The center of this service lies from eastern Pennsylvania and central New Jersey northward as far as middle New York and middle New England. (71) Establishments are well sprinkled through Ohio, Indiana, Illinois and the sections bordering these states. There are but 14 municipal plants. Five of these are in Virginia.

The latest and most admirable light is electricity, while gas is a competitor as a cheap light and is developing a sphere of use as a cooking fuel. Electricity is the ideal street light. A large number of establishments are found in the region previously spoken of as a center for gas plants. (72) In the middle west there are a very large number of establishments which appear upon a map to be thickly strewn over the country as far westward as central Minnesota, Iowa and Missouri. There are few publicly owned works in the east except in eastern Massachusetts, western Pennsylvania and northern Vermont. Municipal ownership is dominant in the west, in Ohio, Michigan, Indiana, Illinois, Minnesota, Iowa and northern Missouri. There were 331 municipal works listed in September, 1899, of which 33 were in Minnesota, 34 in Michigan and 36 in Ohio.

XI TRANSPORTATION.

RAILWAYS

The American railway service is famous for the size of the railway networks operated as single systems, for the heavy construction of its right of way and the magnificence of its rolling stock. Nowhere else are finer trains made up to travel such distances and at such high speeds, yet securing every comfort of a palatial home to the traveler. The freight service provides heavy large-sized cars, expedition, and extremely low ton-mile rates. In 1898 the railways employed 186,396 miles of track, or 23,176 miles more than all of Europe. The greatest number of miles in any one state is 10,882 in Illinois. This

gives one mile of track to each $5 \frac{1}{3}$ miles of area in that state. The second state is Pennsylvania, with 9909 miles.

To the railway as a part of the transportation system, we must add the 10,000 miles of American navigable rivers and 3400 miles of canals and canalized rivers. (73) The telegraph system of the country employs at present not far from 900,000 miles of wire and the telephone system over 1,100,000 miles more. To this may be added 25,000 miles of cable, the portion of the international cable service which may be fairly credited to the United States.

CANALS

The canal was the foster parent of the railway in the United States, as the first railway was the Carbondale road, built in 1828 by the Delaware and Hudson canal company at Honesdale, Pennsylvania. The railway has been so perfected, and its service made so rapid and cheap, that it has overshadowed the canal system. A conspicuous exception is found in the case of those canals which serve to complete the natural waterways. The Erie canal is the most profitable avenue of communication of any sort ever opened on the continent, so far as its general effect upon prosperity can be measured. The Sault Ste Marie canal connecting Lake Superior and Lake Huron registers, in the eight months it is open to traffic, a larger tonnage than the Suez canal in 12 months.

STREET RAILWAYS

The first street car ever known appeared on the streets of New York City in 1832. American genius has produced the finest and most practical electric cars in the world. San Francisco originated the idea of a cable-car street railway which has been found adapted for the dense traffic of several American cities. The elevated railway has been given certain Ameri-

can characteristics both in structure, location and management to meet the needs of American cities.

SHIPPING

During the last year there were 23,200 vessels sailing under the American flag, of which 6550 were steam propelled. We have a magnificent fleet of lake steamers, a considerable equipment of river boats, and a large ocean fishing and coast traffic fleet, but in foreign trade we are as yet only carrying 15.5% of our imports and 8.2% of our exports.

SHIPBUILDING

The north Atlantic coast as far south as Norfolk, Virginia, is dotted with prosperous shipyards for the construction of wood and steel vessels. (74) The construction of wooden ships predominates in Maine and Connecticut and on the shores of Long Island. Steel vessels are built chiefly on the Delaware river. There are shipbuilding establishments at San Francisco, among them the builders of the famous ship "Oregon," who were famous years before as the manufacturers of mining machinery.

The first center of shipbuilding in the United States was on the Great lakes. In 1890 40% more steam tonnage was built on the Great lakes than on our Atlantic and Pacific coasts, and the average size of the vessels was larger. The chief centers of the industry on the Great lakes are Buffalo, Cleveland, Toledo, Chicago and other points along the shores of Lake Erie, Lake Michigan and the Detroit river.

The statistics of shipbuilding for 1899 record the construction of 954 vessels, aggregating a gross tonnage of 267,642 tons. The year records the building of the greatest number of tons of steel steamships on our sea-board ever achieved in the history of the country.

XII BANKING

The money world rests upon the national bank system. It includes besides this system of government regulated banks numerous state and private banks, a fair number of savings banks and a large number of building and loan associations and loan and trust companies. On August 1st, 1899, there were reported 3,699 national banks, having an authorized capital of over \$600,000,000 and a circulation of \$240,000,000 of bank notes. (75) At the same period there were 5446 state banks and trust companies, 3807 private banks, and 772 savings banks. These together with the national banks form a total of 13,735 establishments with an aggregate capital of \$1,210,540,416. At a somewhat earlier period there were 5598 local building and loan associations and 240 national associations in existence. These establishments are very strongly centered in the large cities, Philadelphia being the original home and greatest present center. (76) Chicago, Cincinnati, St Louis, Baltimore and Indianapolis are also prominent. These associations have scarcely been introduced into Maine, Rhode Island, Connecticut, Michigan or Wisconsin. They are numerous in southeastern Pennsylvania, New York, central Indiana and central Illinois. There is here and there a building and loan association to be found throughout the southern states. Vermont, New Mexico and Indian Territory are reported as having no associations.

The banking system of the country culminates in the clearing houses. In 1899 there were 96 clearing houses. Of these 62 were in that portion of the United States lying between the 37 degrees and 44 degrees of latitude and east of the 97 degree of longitude. (77)

XIII CONCLUSION

The people of the United States take part in the Paris exposition realizing that every nation has something to con-

tribute toward the world's advancement and much to learn from others in facilitating its own. However, each nation has conditions peculiar to itself, which must be mastered with little assistance from without. There are certain problems peculiar to the United States which must be worked out to their solution along new lines. Of such a character is the problem of fitting industries to the aptitudes of various regions, integrating the country little by little into a smoothly operating and economical industrial organism, each territory performing a necessary part, and that particular part which it is best fitted to perform. Another serious problem is that of so distributing wealth as to retain for the future an equality of opportunity similar to that which has resulted in the high average of intelligence and well being of the present. Still other peculiarly American tasks are to absorb and digest into the social body foreign born peoples in America and to satisfactorily settle the industrial and social relations between the white and colored populations. The vitality of the American people as shown by their past and recent achievements, the intelligence of the rank and file, and the absence of serious and debilitating social sins, or of expensive, cumbersome and inflexible political and social institutions, constitute the best promises which can be made that these problems will be creditably settled.

Setting aside such matters as have been mentioned, the value of the process of international stock-taking stimulated by an exposition is thoroughly appreciated in America. The United States stand proud of many admirable features connected with the national industries. (78, 79) We have to a large extent created for the first time the necessary devices for working large tracts of land quickly and economically and for removing agricultural products from the land and turning them into marketable form with the use of elevators, flour mills, stock yards, slaughtering and meat-packing establishments, and establishments for canning or cold storage of perishable articles.

An efficient aid is given to the farmers by the government through the Department of agriculture with its crop reports, weather bureau and free distribution of literature.

In the mineral industries Americans have also to show equipments for rapid mining and facilities for moving ore, and for the making of iron and steel and their chief products. The utilization of petroleum has been largely worked out in America.

In manufacturing a wide range of products have already proved their usefulness by the large export demand which exists. The rapid execution of orders for the manufacturing of iron and steel may be noted, the development of electric devices of all sorts, the manufacture of wagons and pianos, builder's hardware, sanitary appliances, platform scales, kitchen utensils and utensils without number for saving woman's toil as well as that of man.

The railways of the United States, knitting large areas into compact neighborhoods, are worthy of study, their equipment and management affording a type distinct from that of Europe. Attention may be called to the American style of car, especially to the sleeping and dining car and to the various devices which make luxury possible in travel. In connection with the problem of city transportation Americans have to offer a thoroughly tested trolley and cable car system and a type of elevated railway structure not found elsewhere. A beginning has been made in the construction of adequate common roads. Attention will be directed by Americans to the system of road building and maintenance employed in various European countries. Along all lines of industry the American is advised and energized by the existence of an unexcelled trade and industrial press.

The play of American genius over the whole range of human occupations from those furnishing the raw materials, such as agriculture, mining and forestry, to the elaborative industries and those connected with transportation, has been marvellous.

To enumerate but a few inventions and inventive achievements mention may be made of the reaper, mower, self-binder, header, threshing machine, improved plow, seeder, the elliptic spring, the buggy, wire nails, barb-wire fencing, and platform scales. In fishing the purse-seine may be mentioned, which has rendered possible such industries as the menhaden fisheries. Connected with metal-working are hydraulic mining, the use of mineral fuels in the blast furnace, and also the hot blast, the American heating furnace and steam-heating and the system of manufacturing interchangeable parts for machinery of all descriptions. Other inventions are the sewing-machine, typewriter, incandescent lighting, phonograph, vulcanized rubber, celluloid, carpet weaving machinery, the steam saw-mill, the cotton gin, and the circular knitting machine. Connected with transportation and the transmission and publication of intelligence may be mentioned the telegraphic cable, the screw propeller, the Atlantic steamship, the street car, cable car, telephone, air-brake, sleeping car, dining car, rotary printing press, and the system of "patent insides" for newspapers. Nor should the American office building, with its desk telephones, mail chutes and elevators be forgotten.

In this development of industries there has been illustrated what the principle of private initiative is capable of doing under the most perfect conditions. Our industrial history exhibits throughout the great achievement of preserving high wages and of meeting the competition of low-priced labor by the use of machinery and the masterly organization of productive forces so far as the equipment of an industrial establishment is concerned.

Nor has this been accomplished without an accompanying progress of philosophic thought. Economic science in the United States acknowledging an early schooling in the English classical theories and a later impulse from Germany, has made worthy independent progress.

Every part of the nation's life shows the beneficent effect of

tolerance and democracy which manifests itself in many other forms than the political. There is a practical absence of irritating international rivalry and the consequent absence of a large military establishment. Our equipment compared with the standing armies of Europe is practical disarmament.

However much or little the exposition may succeed in displaying the magnificent industrial vigor of the country, the American has never occupied the dangerous position of feeling that there is nothing to be learned from others. No people follow more closely the affairs of other countries, or travel more extensively for the sake of gathering the world's best; none give a more hospitable welcome to foreign literature and to able foreign critics.

If we excel in extensive farming, we have much to observe in connection with intensive culture. The virgin soil has been exploited in an ingenuous and practical manner, but the time is coming when the use of fertilizers and a proper rotation of crops must be observed in order to sustain the soil and at the same time gain the most from it. The western states have a problem peculiar to themselves. In the process of settling up the west the water rights of the English common law have proved inadequate. (80) While the American genius is fully equal to the task of handling the mechanical side of the problem of irrigation, the legal and economic sides require study.

In all sections of the country a wide popularization of forestry is needed to enforce the conception of lumbering as the cutting of a crop to be replanted, as others are. In connection with this will be required information regarding the substitution of other materials for wood. Superior methods of building may be employed to secure solidity and fire-proof construction. With the retreat of the forests, new tanning agents will be welcomed and the tanning industry already developed by improvements of American origin will undergo changes. As with the forests, so with our oyster and other mollusk fisheries, the conception of a replaceable crop is needed.

The government at present sustains a service for the inspection and grading of meats to be exported and for wheat. A similar service to insure dependable grades of dairy products is recommended by the success of the Canadian system.

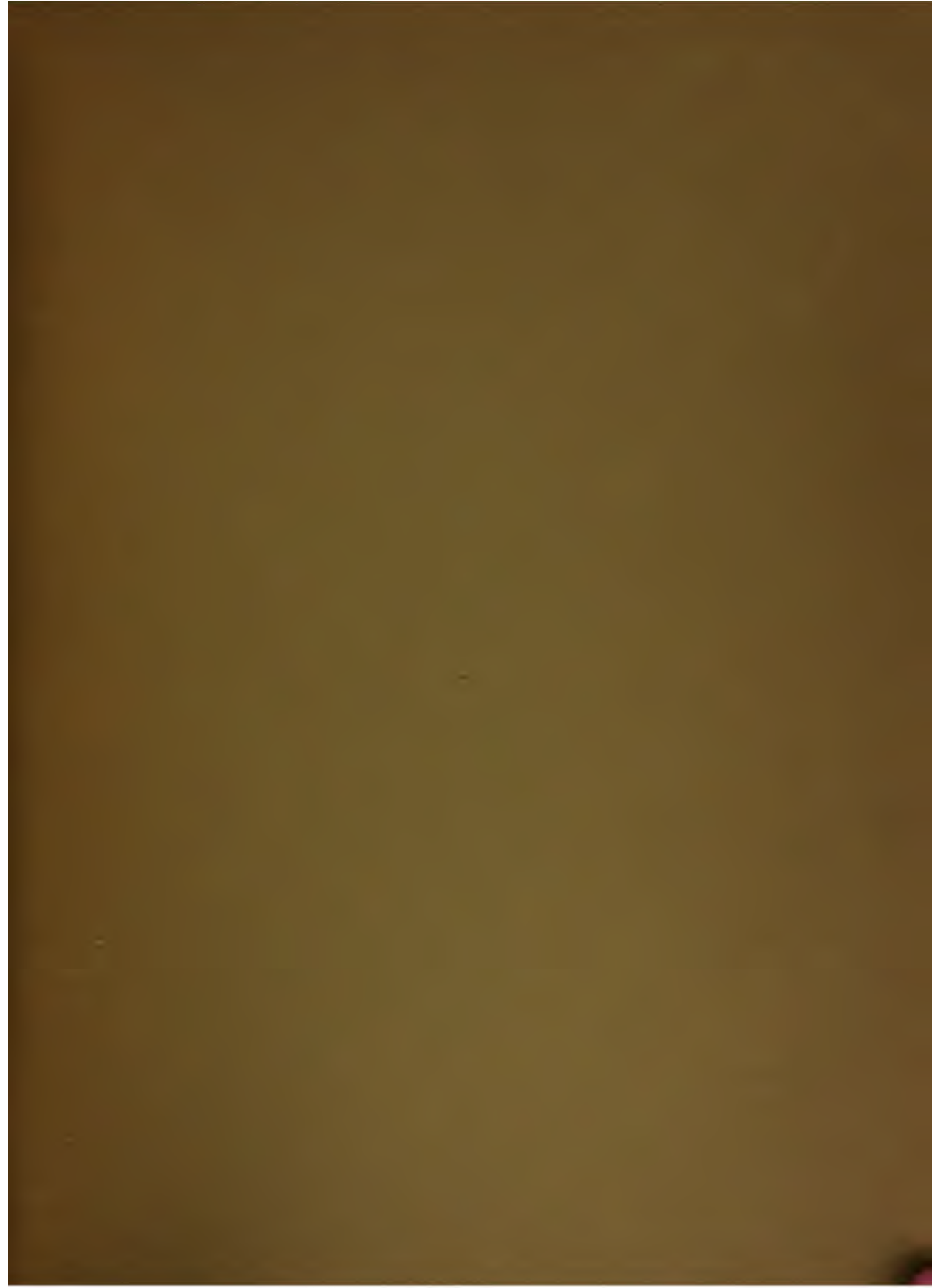
While we have little to learn from Europe concerning the use of corn and cotton, there exists a very general desire to observe the economic place and technical processes of beet sugar manufacture.

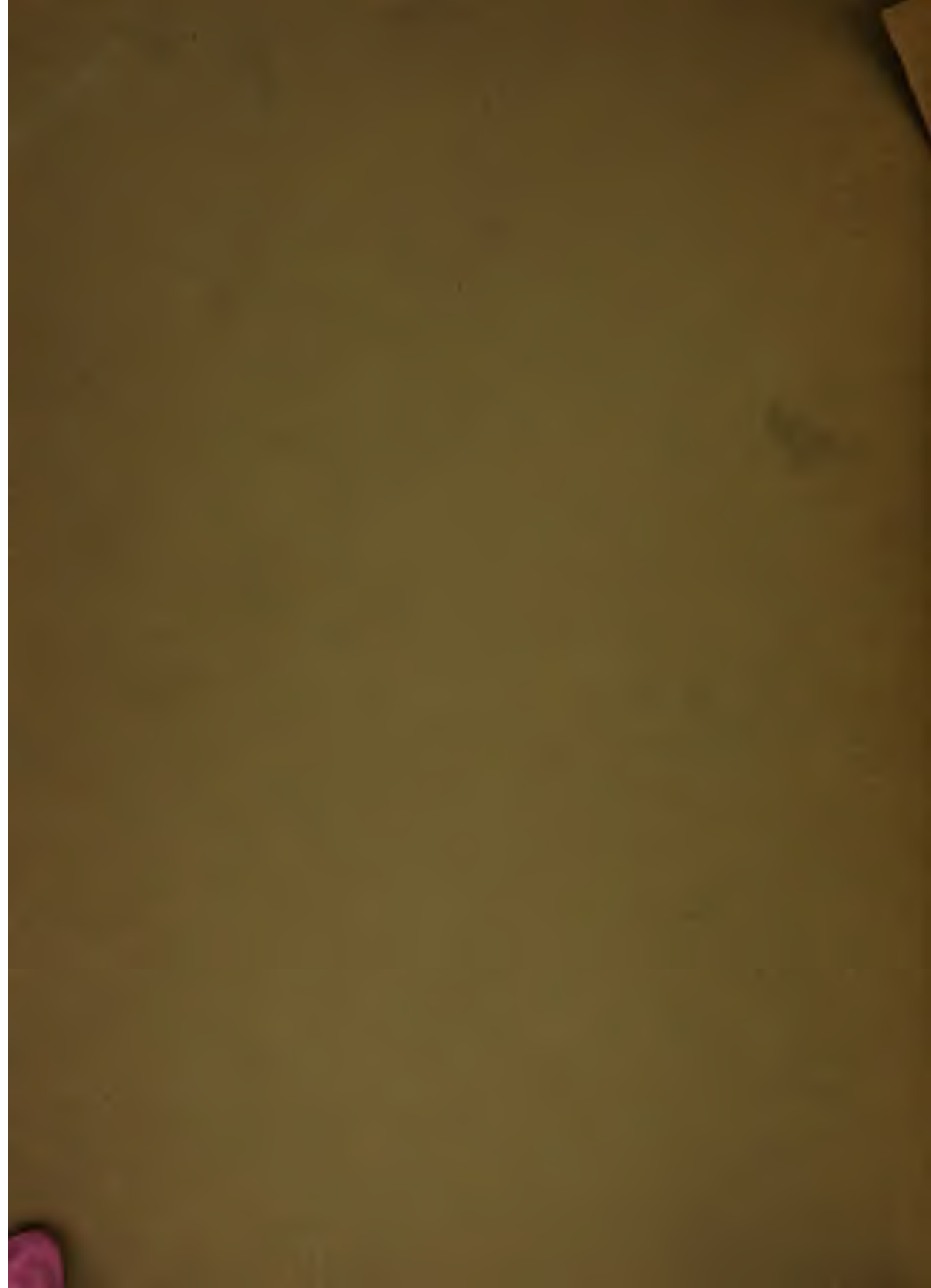
The artistic side of all manufacturing, particularly of the textile arts, of jewelry, works of art, etc., must be carried in mind. To this end the establishment of art courses in the public schools and the founding of industrial schools is to be encouraged. In connection with this some progress may be made in determining the place of the old system of apprenticeship and of technical schools and courses.

In manufacturing machinery, while Americans know how to construct for utility with grace and neatness of design, there is something to learn along the line of solidity and durability. More care needs to be taken so to guard the dangerous parts of machinery as to lessen the risk of injury to operatives.

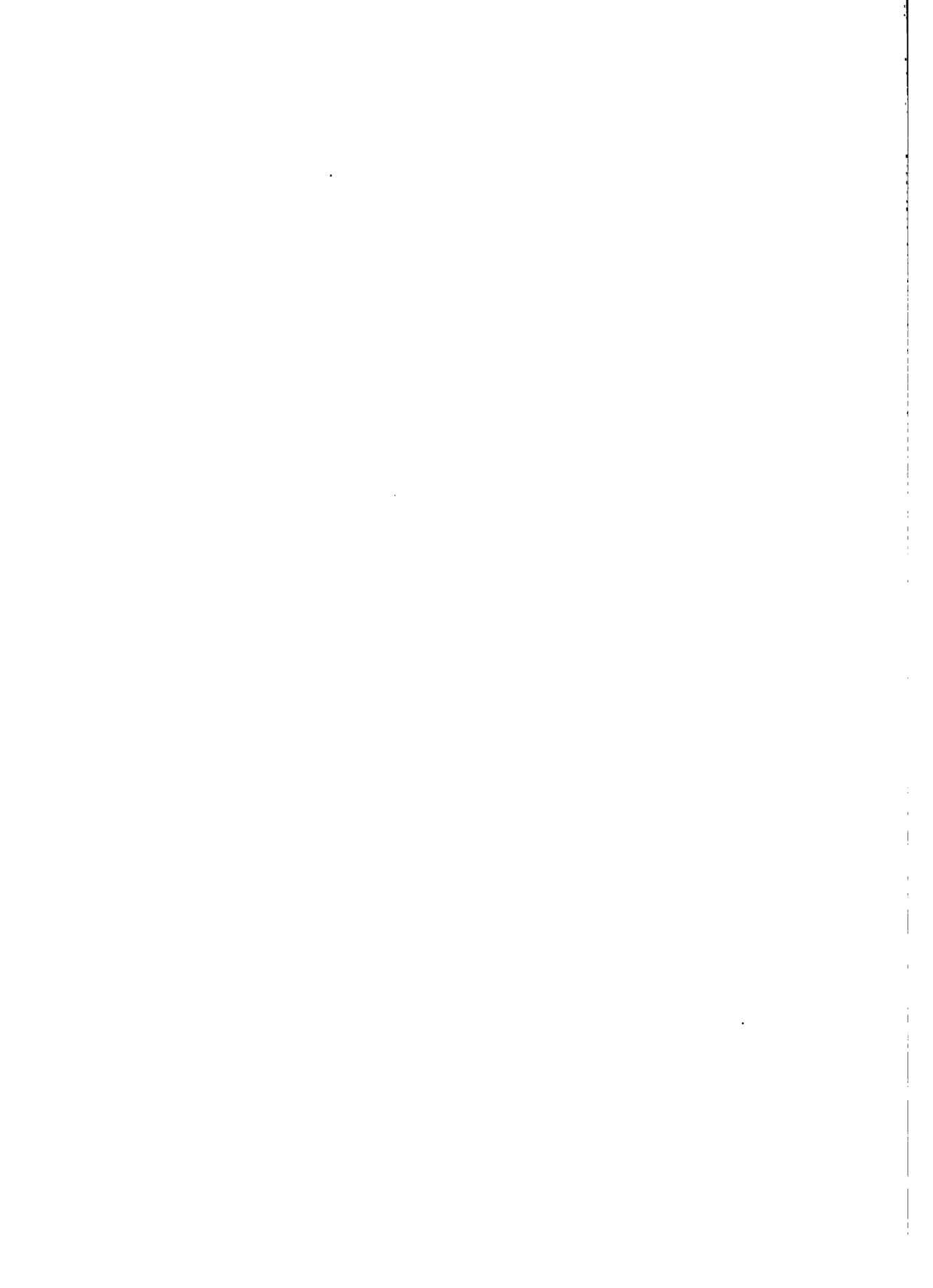
The whole wide problem of waste has scarcely made itself felt as yet. This double wealth-creating process of making something useful, and of removing something noxious, requires, however, special adaptation to the quick and ingenuous economic life of the American people.

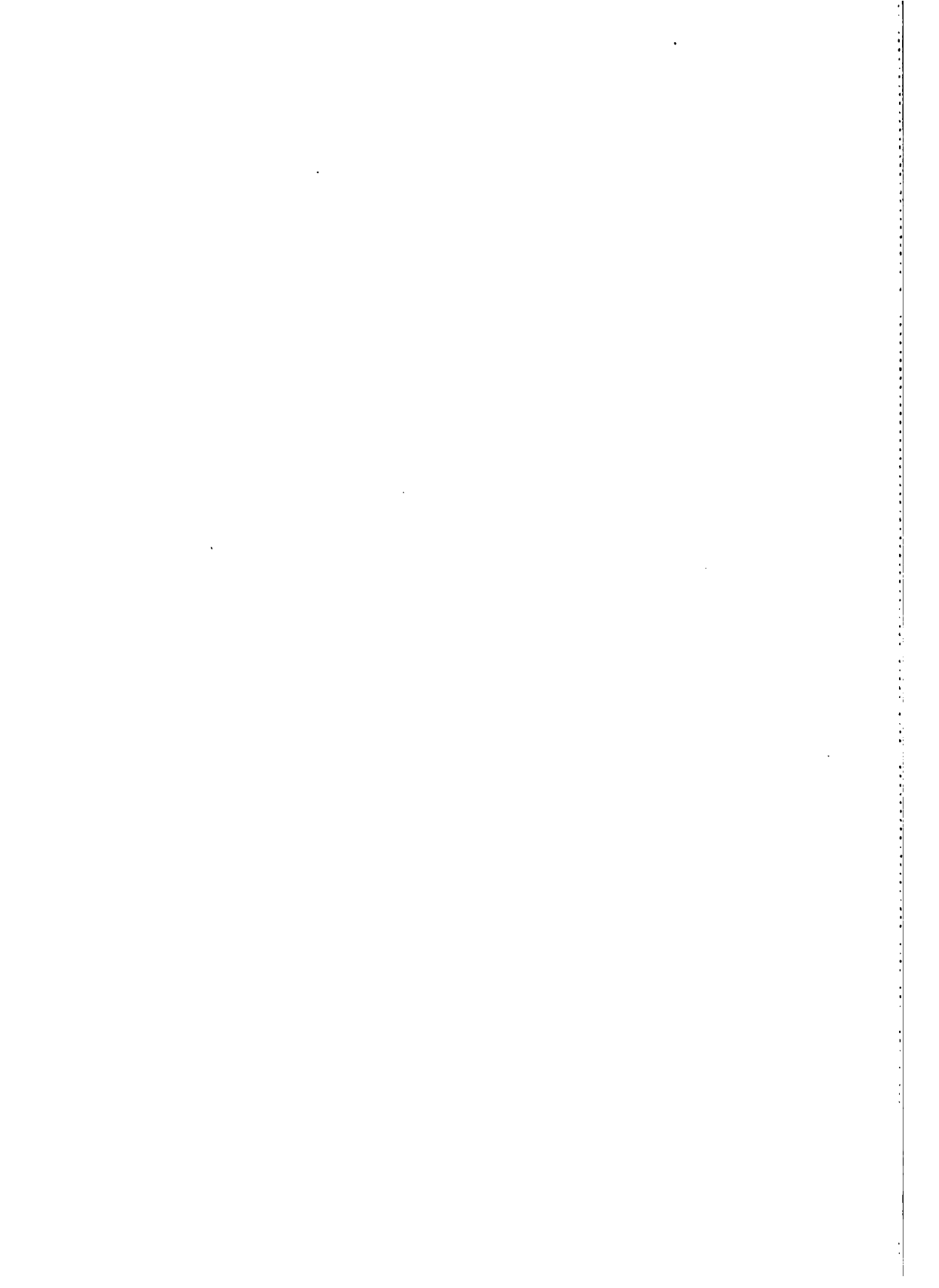
The process of consuming wealth requires attention as well as the process of production, in order that what is produced may give the greatest utility. The delightful results of landscape gardening when utilized to express and embellish the American ideal of home will greatly enrich the nation's life. We have much to learn regarding the social as opposed to the individual ways of consuming wealth. We need more parks, public concerts, and public facilities for recreation. In fact, the whole art of recreation needs both study and practice.

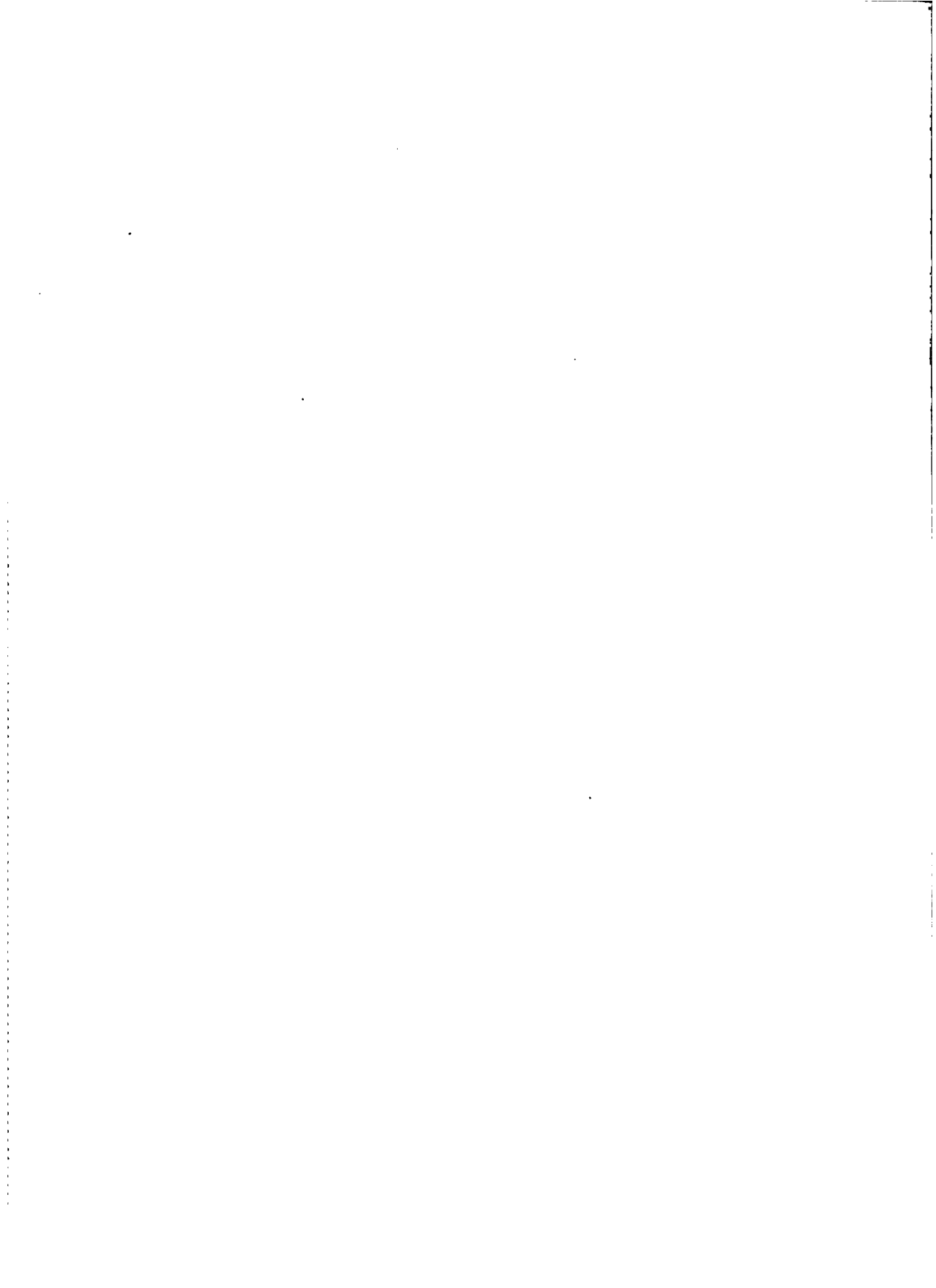


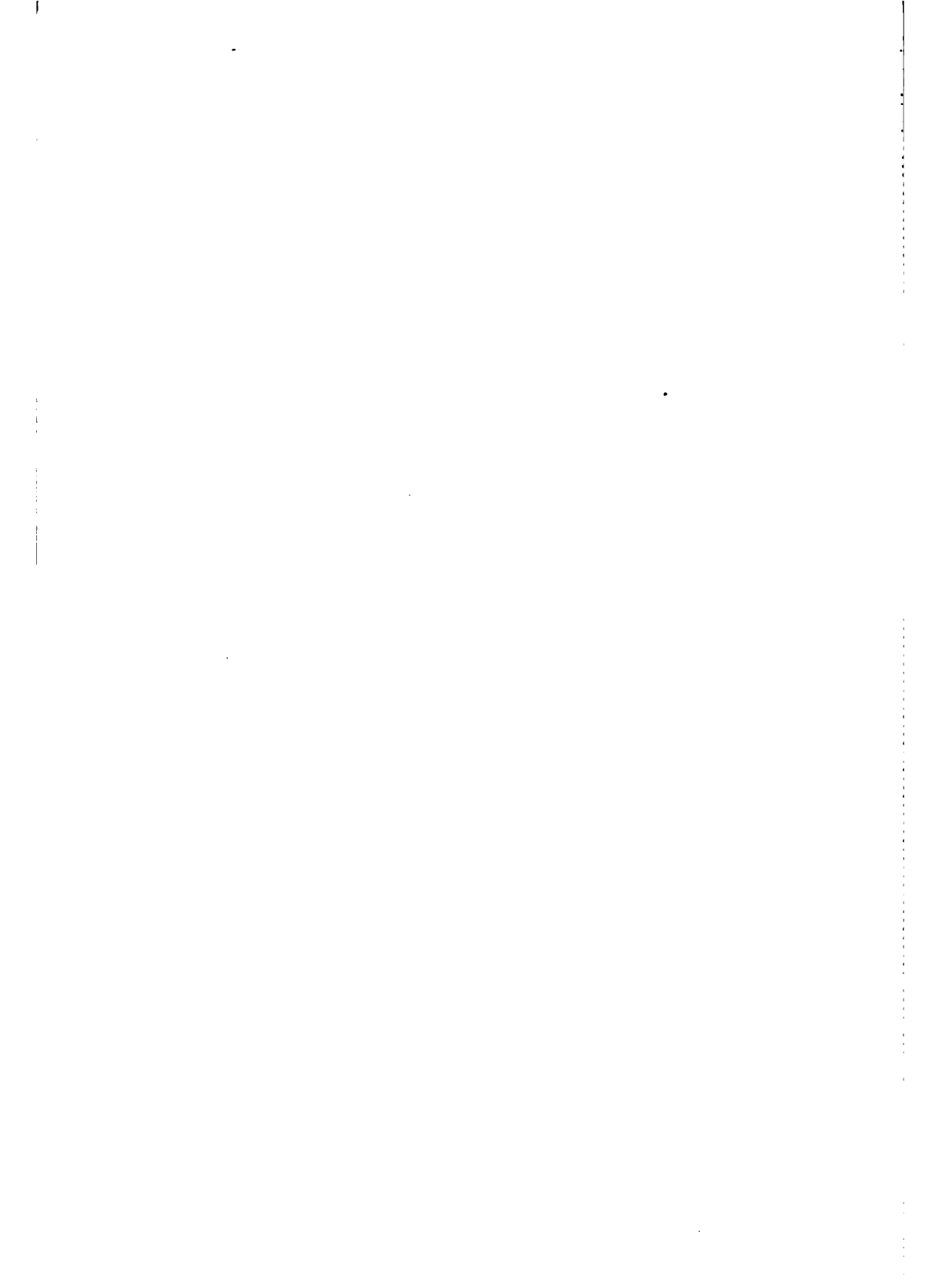


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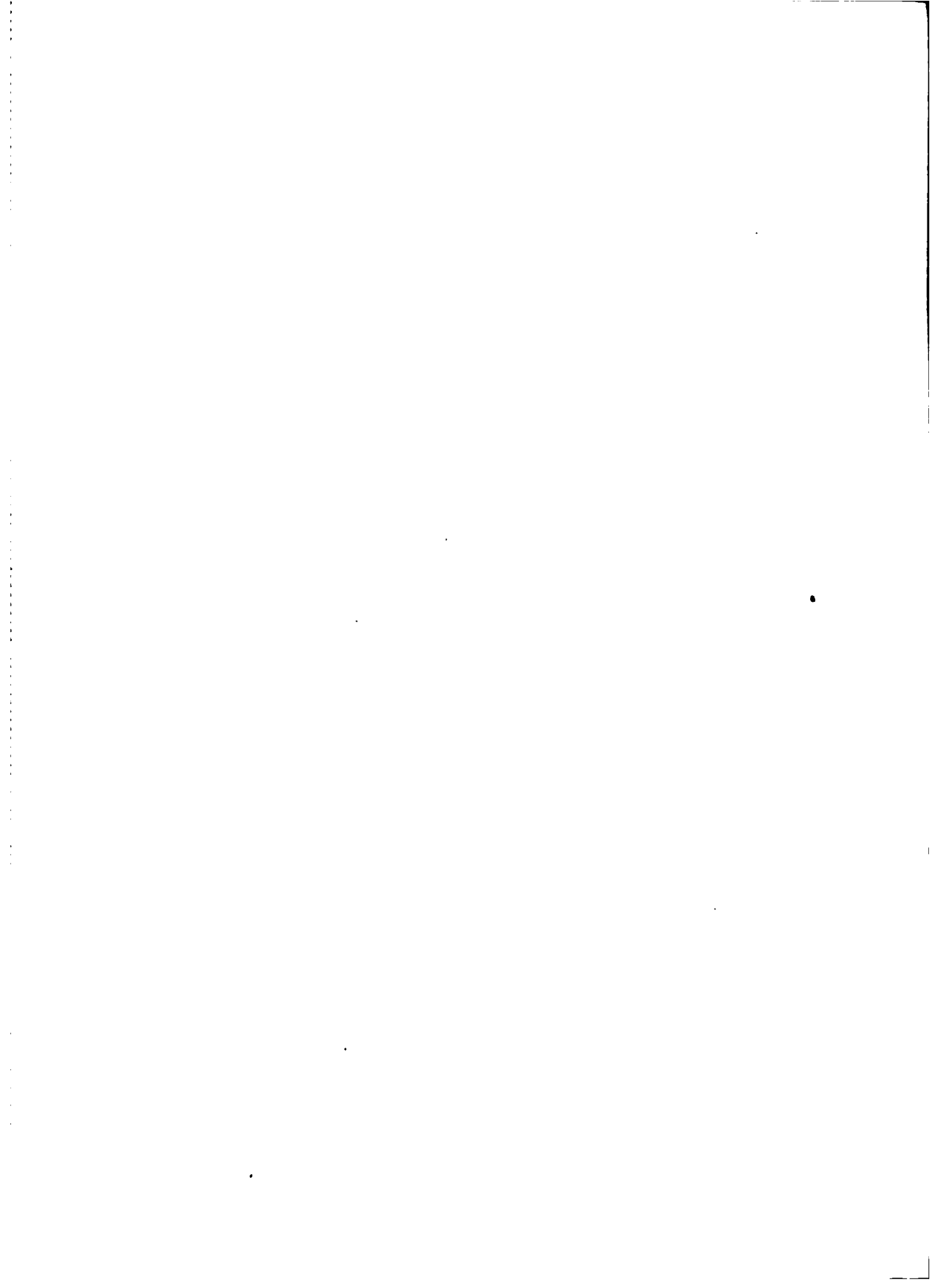


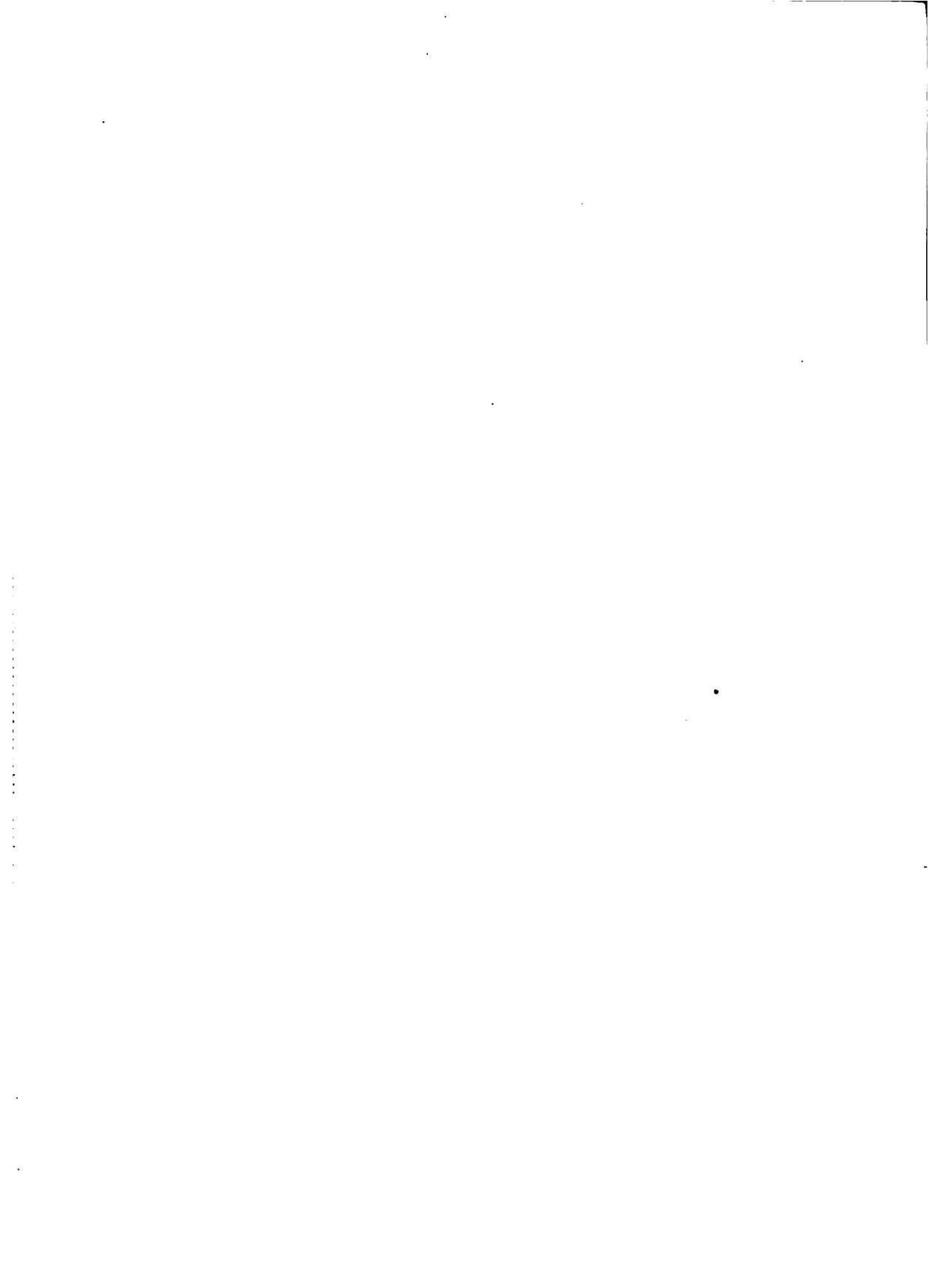


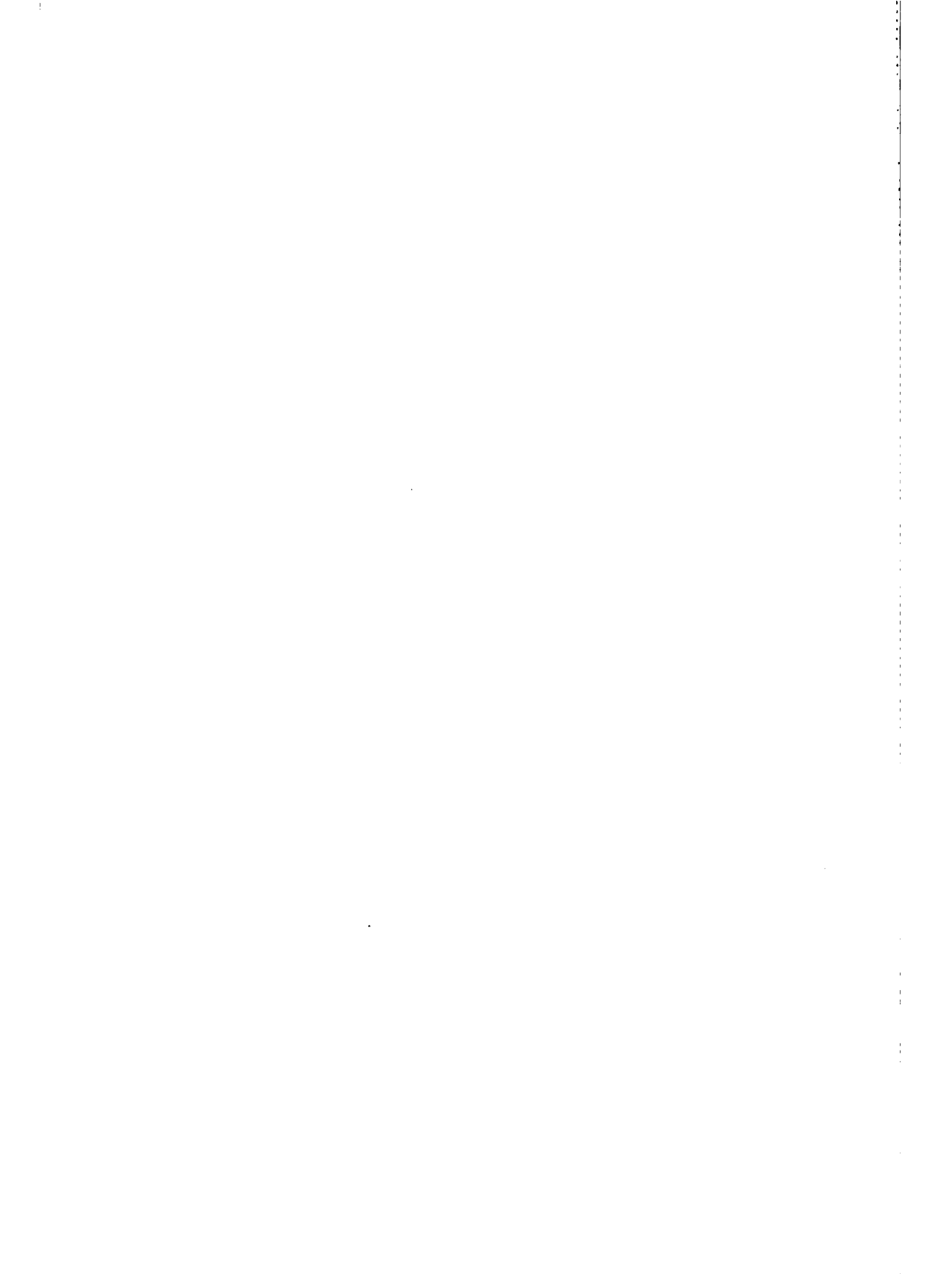










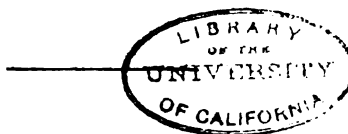


DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



V

BUREAUS OF LABOR STATISTICS

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

THIS MONOGRAPH IS CONTRIBUTED TO THE UNITED STATES SOCIAL ECONOMY EXHIBIT
BY THE COMMONWEALTH OF MASSACHUSETTS

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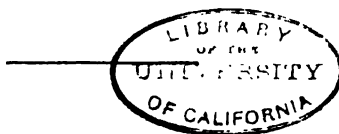
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BUREAUS OF LABOR STATISTICS IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

To the United States belongs the honor of having first created an official bureau for the special purpose of collecting and publishing statistical information in relation to labor. The first official action looking toward this end is to be found in the report of a special commission of the legislature of Massachusetts, February 6, 1866, which among other things, recommended "that provision be made for the annual collection of reliable statistics in regard to the condition, prospects and wants of the industrial classes." In the following year, January 1, a second commission unanimously recommended "that a bureau of statistics be established for the purpose of collecting and making available all facts relating to the industrial and social interests of the Commonwealth." In pursuance of these recommendations Massachusetts created the first bureau of labor statistics by a law dated June 22, 1869.

The example of Massachusetts, which had thus led the way, was soon followed in 1872 by Pennsylvania, and in 1873 by Connecticut. Since then the number of states maintaining such bureaus has constantly increased till at the present time there are 29 states with such offices. In addition to these a number of states have created bureaus, a part of whose duties is apparently, according to provisions of the laws creating them, the collection of statistics of labor. As they have, however, as yet done little or nothing in the way of publishing labor statistics they are not included in the number given above. Two states, South Dakota and Utah, have also created bureaus of labor, but have since abolished them. In 1884 the United States created a bureau of labor under the interior department, which in 1888 was transformed into the existing department of labor.

In the following statement is given a list of the bureaus of labor statistics existing in the United States and the years in which they were established. In a number of cases the bureaus were not organized for work till the year following that in which they were created.

No.	State	Official name of office	Year established
1	Massachusetts	Bureau of statistics of labor	1869
2	Pennsylvania	Bureau of industrial statistics	1872
3	Connecticut	Bureau of labor statistics	1873 ¹
4	Ohio	Bureau of statistics of labor	1877
5	New Jersey	Bureau of statistics of labor and industries	1878
6	Indiana	Bureau of statistics	1879
7	Missouri	Bureau of labor statistics and inspection	1879
8	Illinois	Bureau of labor statistics	1879
9	California	Bureau of labor statistics	1883
10	Wisconsin	Bureau of labor and industrial statistics	1883
11	New York	Bureau of labor statistics	1883
12	Michigan	Bureau of labor and industrial statistics	1883
13	Maryland	Bureau of industrial statistics and information	1884
14	Iowa	Bureau of labor statistics	1884
15	United States	Department of labor	1884 ²
16	Kansas	State bureau of labor and industry	1885 ³
17	North Carolina	Bureau of labor statistics	1887
18	Maine	Bureau of industrial and labor statistics	1887
19	Minnesota	Bureau of labor statistics	1887
20	Colorado	Bureau of labor statistics	1887
21	Rhode Island	Bureau of industrial statistics	1887
22	Nebraska	Bureau of labor and industrial statistics	1887
23	West Virginia	Bureau of labor	1889 ⁴
24	North Dakota	Department of labor and statistics	1889
25	Tennessee	Bureau of labor statistics and mines	1891
26	Kentucky	Bureau of agriculture, labor and statistics	1892 ⁵
27	Montana	Bureau of agriculture, labor and industry	1893
28	New Hampshire	Bureau of labor	1893
29	Washington	Bureau of statistics, labor, agriculture and immigration	1895
30	Virginia	Bureau of labor and industrial statistics	1898

1) Abolished in 1875; reestablished 1885.

2) Created as a bureau under the interior department in 1884; established as a department in 1888.

3) Reorganized by law of January 11, 1899.

4) First report published in 1894.

5) First established March 20, 1876 as Bureau of agriculture, horticulture and statistics. It was reorganized, had its duties enlarged and was given its present title April 2, 1892.

It is not practicable to attempt to give the organization of each of these bureaus. In general the personnel of each bureau consists of a chief or commissioner and occasionally a deputy commissioner appointed by the governor of the state, and a few clerks, often not more than two or three. Special mention, however, should be made of the organization of the Kansas bureau as reconstituted by the recent law of January 11, 1899.

This law provides for a radical departure from the method employed by the other states in the organization of the bureau and the selection of its officers. The law in brief provides that any organization of seven or more workmen for the purpose of studying labor conditions or the improvement or promotion of the branches of labor represented by them, or for certain other purposes, shall have the right of sending one delegate for the first 50 members or fraction thereof and one delegate for each additional 100 members to the annual meeting of the State society of labor and industry to be held at the state capital.

Upon assembling, these delegates shall organize as the State society of labor and industry above mentioned, and shall elect a president, vice-president, secretary and assistant secretary, which officials shall constitute a state bureau of labor and industry, and the secretary shall be ex officio the commissioner of the bureau. The president and vice-president are elected annually, but the secretary and assistant secretary hold office for two years and can be reelected. A permanent office for the bureau is provided in the state capitol. Provision is also made for a stenographer, and the commissioner is given the power to employ special agents and other assistants as may be necessary. The following salaries and appropriations for the work of the bureau are provided by the act: commissioner \$1500, assistant commissioner \$1200, stenographer \$720, for special agents and other assistants \$800, for postage and expressage \$800, traveling and other expenses \$1500.

The powers and duties of the bureau are practically the same as those of other state bureaus of labor. The most

significant feature of this scheme is that it provides for the creation under state auspices of a general society to consist of delegates of labor organizations, and that the appointment of officers of the state bureau of labor and therefore their control is taken away from the governor and given to this society and therefore absolutely into the hands of the workingmen themselves. The law is a unique piece of legislation, and its workings may be followed with interest.

Regarding the resources at the command of these labor bureaus the appropriations for their support are usually small in amount, being but little more than sufficient to pay the salaries of the commissioner and his assistants. The United States department of labor, on the other hand, possesses an effective organization. At its head is the commissioner of labor. Under him the force consists of a chief clerk, a disbursing clerk, four statistical experts, 51 clerks, messengers and laborers, and 20 special agents. In addition, from 20 to 30 experts are carried on the temporary roll, their salaries being paid from a special appropriation for the payment of the expenses of agents in the field and the employment of extra experts as required by the work of the department. The total force of the department thus varies from 110 to 115. The work of the department is clearly divided into field and office work. The 20 special agents constitute the field force and except in rare cases are continuously in the field collecting the information desired by the department. When necessary, they are assisted by members of the office force temporarily detailed for that purpose.

The total regular appropriation for the department for the coming year, 1899-1900, is \$172,980. This does not include \$8000 appropriated to defray the cost of the printing and binding required by the department in the prosecution of its work, nor the cost of printing and binding the regular reports and bulletins of the department.

Turning now to the duties of these bureaus, their primary function in all cases is the publication of material showing

labor conditions ; and these offices are therefore, in spite of their various titles, known under the general name of labor bureaus. It is important to note, however, that the efforts of most if not all of the bureaus are directed towards obtaining and publishing information concerning social conditions other than those strictly relating to labor. Thus the act creating the Massachusetts bureau, which has served as the model for the acts of the other states, says that " the duties of such bureau shall be to collect, assort, systematize and present in annual reports . . . statistical details relating to all departments of labor in the Commonwealth, specially in its relations to the commercial, industrial, social, educational and sanitary condition of the laboring classes, and to the permanent prosperity of the productive industry of the Commonwealth."

The law creating the United States department of labor gives the new department, if possible, even broader powers to investigate any subject at all concerning the economic or industrial condition of the country. Section 1 of the law thus reads : " There shall be at the seat of the government a department of labor, the general design and duties of which shall be to acquire and diffuse among the people of the United States useful information on subjects connected with labor in the most general and comprehensive sense of that word, and especially upon its relation to capital, the hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual and moral prosperity."

Acting either under their general powers, or as the result of specific legislative powers, most of the bureaus, therefore, publish statistics concerning subjects other than labor, strictly speaking, as agriculture, production, penal and reformatory institutions, education, taxation, etc.

The results of the investigations made by the bureaus are for the most part published in annual or biennial reports. The majority of the bureaus issue annual reports. Those of the following states, however, publish theirs biennially: Indiana, Illinois, California, Wisconsin, Maryland, Iowa, Minnesota,

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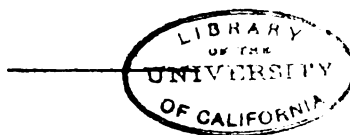
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DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900
Director
HOWARD J. ROGERS, Albany, N. Y.

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR

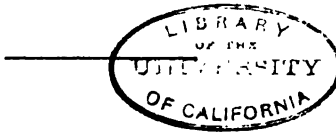
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V

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EMPLOYMENT BUREAUS IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

An examination of the subject of employment bureaus in the United States involves a consideration of two distinct kinds of institutions: private employment offices, or intelligence agencies, as they are frequently called, and free public employment bureaus organized in connection with the bureaus of labor statistics of a number of the states. The aims and purposes of these two kinds of institutions are radically different. The first are purely money-making undertakings organized by individuals for the purpose of personal gain. The second are organized under the auspices of the state and are public institutions for the assistance of the working classes. The first are now looked on as an evil; the second are beneficent institutions contributing to the welfare of the laboring men.

Private employment agencies. Private employment agencies have existed in the United States for a great many years. They seem to have been very prosperous undertakings from the standpoint of financial gain to their promoters, as it is not unusual for as many as 40 or 50 such offices to be found in a single city. Apparently there is no reason why such agencies, especially in the absence of a free employment bureau, could not be of considerable use in assisting the unemployed to find positions, and there is little doubt that in some cases where they are honestly administered good is accomplished. The trouble is that such cases of honest management form the exception. Having to do with an ignorant and helpless class these agencies are in a great many cases but institutions for defrauding and victimizing the poor people. Exorbitant fees are charged for the mere registering of applicants for work, and afterwards little or no effort is made to secure positions for them. Advertisements are inserted in the daily news-

✓ papers for laborers of a certain class when there is not the slightest demand for such labor. In fact, all sorts of deception and extortion are resorted to. In some cases the office is in connection with a saloon, in order to get the applicants to spend the little money they have in drink while waiting for employment.

The state labor bureaus have repeatedly made investigations of these employment agencies, always with the result that they were condemned as injurious institutions. Thus the commissioner of the Missouri labor bureau in his report for 1897 says:

Not all of the employment agencies can be classed as fraudulent, but in all the investigations made by this department in St Louis alone, a large majority of them were found to outrival in their methods the worst gambling and confidence games in this city. Yet their systems of robbery are so cunningly devised and so skillfully operated that it is almost impossible to convict them under the existing law.

The Maryland commissioner of labor, as a result of a special examination of these agencies, in his report for 1896 says:

The inquiry, together with what came under our immediate notice emphasized that reliable agencies were able to do some good, but that the unreliable ones would justify a statement to the effect that their existence is a standing menace to those compelled to seek the aid of employment agencies, greatly overshadowing all other considerations, and causing people to concur in the opinion that the unemployed would have a less rugged road to travel without this proffered assistance.

It is unnecessary to comment further on these abuses. It is sufficient to say, that not only has the establishment of employment agencies under private auspices contributed but little or nothing to the solution of the problem of unemployment, but their existence has developed evils which far outweigh any advantages obtained in isolated cases. The result of these abuses is that in quite a number of states special legislation has been enacted looking to their suppression or at least rigid control. The essential character of this legislation can be briefly set forth:

An examination of the labor laws of the states shows that

12 states, Colorado, Illinois, Louisiana, Maine, Massachusetts, Minnesota, Montana, Missouri, New Jersey, New York, Pennsylvania and Rhode Island, have enacted legislation of some kind in regard to employment agencies.

Of these, the laws passed by a great many of the states are of comparatively little importance. The laws of New Jersey and Rhode Island simply provide that the cities and towns of the state, may, if they desire to do so, require any person desiring to open an employment agency to obtain a license from the municipal authorities, and may fix the sum to be paid for such license. The Missouri law merely makes it a misdemeanor punishable by law for an employment agency to accept a fee or remuneration of any kind unless a situation is secured for the person making the payment. The Massachusetts law in like manner prohibits the taking of a fee unless a position is secured. The Louisiana law provides that persons desiring to conduct employment agencies must obtain licenses and give a suitable bond. The Colorado law fixes the amount to be paid for a license at not more than \$100, and requires a bond of \$2000. The Pennsylvania law fixes the license fee for employment agencies at \$50, and provides that the proprietor of any such agency giving false information or making false promises concerning positions to be obtained shall be deemed guilty of a misdemeanor and be prosecuted criminally by the state. The New York law is very similar. In Minnesota the license fee is fixed at \$100 and the bond at \$10,000. In Illinois the license fee is \$200 and the bond \$1000. The Maine law says that the mayors of towns may grant licenses to employment agencies on the payment of \$1, and prohibits the charging of a fee unless a position is secured.

It will be seen from the foregoing that the legislation in all of the states taking action in regard to this question is all along the same lines. The essential points are: that a license must be obtained; that no fees can be collected unless a position is secured for the person making the payment; that a bond must be given from which damages resulting from any fraud or

misrepresentation on the part of the agency may be paid ; and that any agency making fraudulent misrepresentation or promises shall be deemed guilty of a misdemeanor, and as such, amenable to criminal prosecution. No one law embraces all these points. But the enumeration given indicates the points covered and shows the general character of the legislation. The text of all of these laws may be consulted in the report of the Department of labor on labor laws in the United States, second edition, 1896 (see heading "employment agencies" in index for references to exact pages).

Free public employment bureaus. From the study of private employment agencies organized as money-making schemes, we now turn to an examination of the much more interesting class of free employment bureaus organized under the auspices of the state. It is possible that some of the cities may have organized municipal employment bureaus, but if they have done so it is impossible to obtain any detailed information concerning them.¹ During the industrial depression beginning with the year 1893 a great many of the cities did more or less in the way of attempting to find employment for those out of work. Such action was, however, temporary and can not be considered as creating employment bureaus properly speaking. Our examination here, therefore, must be restricted to the employment bureaus organized by the state bureaus of labor.

At the present time there are quite a number of such bureaus in operation. The beginning was made by the state of Ohio in 1890. It may not be uninteresting to call attention to the fact that the creation of the Ohio bureau, and, therefore, the inauguration of free employment bureaus in the United States, is directly due to the influence of similar institutions in France. On the occasion of the Paris international exposition of 1889, a league of newspapers sent a delegation of prominent labor men to Europe to study old world conditions. Among the members of this league was W. T. Lewis, who afterwards

1) Since the above was written, information has been received of the interesting and important municipal employment bureau of Seattle, Washington.

became the chief of the Ohio bureau of labor statistics. Mr Lewis was particularly impressed with the work of labor bureaus in Paris and brought it to the attention of the laboring people of Ohio. The Municipal labor congress of Cincinnati, an organization of the trade and labor unions of the city, took the matter up, and urged the creation of a similar institution in Ohio. Its recommendation was favorably received, and a law was passed in 1890 directing the commissioner of labor to create in each of the five principal cities of the state a free public employment bureau.

For some time this action on the part of Ohio remained without imitators on the part of other states. The results accomplished, however, began to attract attention, and other states began to examine the question. On May 28, 1896, New York passed a law requiring the organization of a similar office in New York city by the bureau of labor of the state, and on April 13, 1897, the state of Nebraska did the same. Just as this paper is being written, information arrives that the state of Illinois by act of April 17, 1899, has made the most elaborate provision for the establishment of a system of free public employment bureaus yet attempted by any state.

Though these are the only states that, by legislation, have specifically authorized the creation of a free state employment bureau, in a number of others commissioners of labor have believed that they had the power under the general acts creating their bureaus to establish such offices. Missouri, California, Kansas and Maryland have thus created free employment bureaus in connection with their labor bureaus which are identical in character with those specifically created by law. The California bureau was created about July 1895, when a great many workingmen and women were out of employment, and its expenses were entirely borne by private subscription. It continued in operation only about a year, as the return of better times removed the pressing need of its services.

The Kansas bureau is conducted on a small scale. The commissioner of the labor bureau writes :

By reason of our close touch to organized labor and the workingmen in this state, we have established a voluntary free employment agency where both the employers and persons seeking employment may register and thereby be aided to employment. This voluntary agency may be said to be local in its character, being confined largely to the city and vicinity.

In 1893 Montana, in the law creating a bureau of labor statistics, provided that its commissioner should maintain in his office a free public employment bureau, and also granted permission to any city to open a similar office if it desired to do so. In 1897, however, that portion of the law requiring the commissioner of labor to maintain a free employment bureau in his office was repealed. It was provided, however, that the employment bureaus established by the cities should report to the commissioner of labor and he in turn to report on their operation.

At the present time, therefore, free public employment bureaus are maintained by the labor bureaus of seven states, Ohio, Nebraska, New York, Illinois, Missouri, Kansas and Maryland.

Organization of free public employment bureaus. Of these bureaus, the system recently created by Illinois is much the most elaborate and consequently bids fair to be the most important. In the following paragraphs its most essential features are briefly summarized.

The law provides that a free public employment bureau shall be created in each city of the state with a population of 50,000 or over, and that three such offices shall be opened in every city (of which Chicago is the only example) containing a population of 1,000,000 or over. These offices are to be designated as "Illinois free employment offices." On the recommendation of the commissioner of labor, the governor shall appoint a superintendent, assistant superintendent and a clerk for each of the offices, with salaries of \$1200, \$900 and \$800 per annum respectively. Such sums as are necessary for defraying the cost of equipping and maintaining the office shall be furnished by the treasury of the state. Each office

must have in front a conspicuous sign bearing the words "Illinois free employment office."

The superintendent of each of the offices must receive and record in books kept for that purpose the name, address and character of employment or help desired of each person applying for employment or help. Separate rooms shall be provided for the men and women registering for situations or making applications for help.

It is readily understood that the vital point in the organization of an employment bureau is the devising of means for obtaining knowledge of persons and firms who are in need of help. To this end the law requires that it shall be the duty of the superintendents to put themselves in communication with the principal manufacturers, merchants and other employers of labor and seek to secure their active cooperation. Each superintendent can also expend not more than \$400 yearly in advertising in the columns of the daily newspapers or otherwise. It is also the duty of all factory and coal mine inspectors to do all in their power to assist in securing situations for applicants for work. They must immediately notify the superintendent of the employment office of any opportunities for employment that come to their notice, describe the character of work and causes of scarcity of workmen, and seek to secure for the employment offices the cooperation of employers in factories and mines in every way possible. The services of these offices shall be absolutely free. No fee or compensation of any kind shall be charged either directly or indirectly.

The duties of a state employment bureau in case of vacancies caused by strikes is often a difficult one for determination. To obviate any friction that might arise in such cases, the law provides that in no cases shall help be furnished employers whose employees are on strike or locked out; nor the list of applicants for work be shown to such employers.

In order that the work of the different offices may be unified and centralized each superintendent is required to report on the Tuesday of each week to the state bureau of labor the

number of applicants for employment or for help, the number of unfilled applications remaining on the books, the number of situations desired and the number of persons wanted at each specified trade or occupation, and the number and character of the positions secured during the week.

On the receipt of these lists and not later than Saturday of each week the bureau of labor must cause to be printed the information thus received from all the offices, and mail to each superintendent two copies, one to be kept on file and one to be conspicuously posted in each employment office; copies must also be mailed to each state inspector of factories and inspector of mines.

In addition to these weekly reports each superintendent must make an annual report to the state bureau of labor statistics setting forth the work performed by his office and the expense incurred by him, and these reports shall be published annually by the bureau. Each superintendent is also required to perform such other duties in the collection of statistics of labor as the labor bureau may require.

There remains another feature of this law that is of special interest to students of social conditions. Careful provision is made for the collection of sociological data concerning applicants for work, in order that statistical material may be obtained for studying the causes and extent of unemployment. The law thus requires that a special register must be kept for applicants for employment, showing the age, sex, nativity, conjugal condition and occupation of each applicant, the cause and duration of his or her unemployment and the number of dependent children, together with such other facts as may be required by the bureau of labor statistics for its use. As this information is sometimes of a character that individuals are unwilling to have generally known, the law wisely provides that this register shall not be open to general public inspection, and the material when published must not reveal the identity of any person figuring in the register. Furthermore, the applicants for work can decline to answer any of these questions if they desire to do so.

The employment offices established by the other states can be more briefly considered. In general the system created is a very simple and inexpensive one, and is much the same in all the bureaus whether created by a specific law or organized under the general law creating the labor bureau. The commissioner of the Missouri bureau describes his method of conducting the affairs of the bureau as follows. Its reproduction will serve to show the manner of action in all the other bureaus.

The plan of operation, is extremely simple and businesslike, and entirely devoid of red tape. Applicants for employment are required to file their applications on a blank furnished by the department; giving their name, address, age, sex, nativity, kind of employment desired, wages required, when last employed, cause of idleness, reference as to character, etc., etc. All such applications are registered for 30 days and then dropped from the list, when employment is not secured. Applicants have the privilege of renewing their applications every 30 days if they desire till employment is secured. Persons desiring help are required to file an application in the same manner on a blank furnished by the department, stating in exact terms the kind of laborer wanted, wages, term of service, etc., which application is also registered for the term of 30 days, or till help is secured.

Whenever applications are received, and registered, a number of parties making application for the position designated are promptly notified by postal card and given the address of the applicant for service. In this way the unemployed and the employer are brought together with little difficulty, and at no more expense than the cost of a postage stamp. All possible care is taken to prevent the registration of irresponsible parties.

Results achieved. An account of the workings and results achieved by these various bureaus constitutes a part of the regular reports of the commissioners of the states having these bureaus. The majority of these bureaus, however, have been so recently created that an opportunity is not afforded of judging results. The work done in Ohio is by far the most important, both because it is there that the system was first inaugurated, and has therefore been in operation the longest, and because bureaus are organized in five different cities instead of in a single one as in most of the other states.

In order to show the workings of these bureaus, the following table has been compiled which shows for all five cities combined, the number of persons making application for work each year and the number for whom positions were secured each year since the establishment of the system :

YEAR		MALES		FEMALES		BOTH SEXES	
		Applications for work	Positions secured	Applications for work	Positions secured	Applications for work	Positions secured
TOTAL (5 CITIES)	1890	14 529	5 575	5 607	3 413	20 136	8 988
	1891	21 457	6 967	12 914	8 628	34 371	15 595
	1892	15 522	5 905	11 424	7 840	26 946	13 745
	1893	14 169	4 566	12 685	8 635	26 854	13 201
	1894	14 521	2 140	14 616	7 626	29 137	9 766
	1895	14 165	2 677	13 793	9 048	27 958	11 725
	1896	12 668	2 781	15 030	10 164	27 698	12 945
	1897	13 159	3 912	13 298	13 135	26 457	17 047

It will be noticed as the most striking fact brought out by this statement, that while the number of applications for positions by men and the number of places secured by them has decreased, the number of applications and the number of positions secured for women has increased. The showing on the whole must be considered as a very favorable one. Thus in 1897, 39,122 men and 13,135 women were aided in obtaining work. The report unfortunately does not state the kind of occupations secured. The greater success achieved in placing women would seem to indicate that the positions filled belong largely to the domestic and servant classes. Indeed there can be little doubt that here as with the other bureaus but comparatively little is done in the way of securing positions for expert artisans such as carpenters, iron and steel workers, etc.

The California bureau of employment was established July 15, 1895. During the only year of its operation, applications for employment were received from 18,920 persons, of whom 14,251 were men and 4,669 were women. Positions were secured for 5,845, of whom 3,314 were men and 2,531 were women. The report of the commissioner of labor for 1895

and 1896 gives a great many details concerning the character of the applicants, their ages, whether able to read and write, their occupations, wages, etc. It is evidently impracticable, however, for us to attempt to reproduce these figures here. It should be stated that in order to enable the commissioner of labor to carry on this work a number of the leading manufacturers raised \$1000 which they placed at his disposal for this purpose.

The Missouri bureau was not organized till October 1897. The results of the first month's operations, which are given in the 19th report of the Missouri labor bureau for the year 1897, show the following figures:

	Men	Women	Total
Number of applicants for work	1 511	237	1 748
Number of positions offered by employers	521	266	787
Number of positions filled by bureau	283	223	506

This result the commissioner says is far beyond his expectations and he has great hopes for the usefulness of the bureau in the future.

The New York bureau, in pursuance of the act of 1896 was organized July 20 of that year. On January 1, 1897, the superintendent reported that he had received and registered 8040 applications for work, of whom 6458 were men and 1582 were women. For these, situations were secured for but 444 persons, of whom 218 were men and 265 women. The small number of positions secured can be explained from the fact that it takes considerable time for the bureau to get into relations with and gain the confidence of employers of labor; and, on the other hand, the wide publicity given to the bureau resulted in great numbers of the idle applying for work. In such a city as New York there is a tremendous floating population of men and women who never have permanent work. The superintendent there reports that certainly 60 per cent or

over of all the applicants had not had steady employment during the past three or four years. With this class it is evidently impossible to find positions for but a small proportion of the applicants, as they usually stay at work but a short time when they do obtain a position.

The Maryland bureau was organized in 1896. Its methods of operation are somewhat different from the other bureaus, as all of its operations are conducted by mail. It is the least important of the seven bureaus. No report concerning its operations was obtainable.

General conclusions. The two prominent features brought out by the preceding study are: 1) that private employment agencies do little or nothing for the solution of the problem of unemployment, but on the other hand are usually so dishonestly conducted as to make them undesirable institutions; and 2) that the system of employment bureaus organized under the auspices of the state bureaus of labor may now be said to be definitely established in the United States. It is with these institutions that we are chiefly interested.

An examination of the work of the various bureaus which have been created, short as is their experience, convinces us that they are institutions which can be of great service to the workingman. To do this, however, it is necessary that they should be conducted with the greatest care and tact. If their affairs are merely managed in a perfunctory or routine way, but little success can be anticipated. The permanent prosperity and development of the bureaus depend to a high degree on the zeal and ability of the persons in charge.

The first and most important consideration to be observed is that the work of these bureaus should not be confounded in any way with that of charity bureaus. The function of an employment bureau is not to help the incapable class which ordinarily seeks assistance from public charity, but to aid the honest workingman who is willing and able to work but can not find employment.

A second point is that though the bureau is conducted in

the interest of the workingmen, chief attention must be directed to giving satisfaction to the employers to whom labor is furnished. It is evident that the success of an employment bureau is entirely dependent upon gaining the confidence of the employers of labor. To do this it is necessary that the bureau should use extreme caution and discrimination in recommending any applicant for employment, unless it has every reason to believe that the person is fitted by his personal character and skill to fill the position to the satisfaction of the employer. It should not be the aim of the bureau to find employment for every applicant. It is evident that a great many of these belong to the class of incapables, and to recommend them for employment would injure the reputation of the bureau. The principle should be firmly established that a selection of the most fit will always be made.

Another important point as regards the policy of the bureau is mentioned in the Ohio labor report for 1896. The commissioner there says :

The employment offices, should not be allowed to furnish any help in case of a labor dispute or strike of any kind ; and I strongly recommend a ruling of the department on this subject. As it now stands there is no guide in this matter except the superintendent's own feelings and sense of right. Certainly the state of Ohio ought not to allow itself to be made a party in any sense in such troubles. The state establishes these offices on the request and through the instrumentality of the labor unions, for the benefit mainly of the laboring people, and the offices should not be allowed to assist in an injury to them.

It will be remembered that Illinois in her law makes provision for such cases as this along the lines here laid down. It is only proper to state that in the United States no trouble has ever arisen in regard to this question. The danger nevertheless is one that is always present and should be guarded against as suggested.

The final point that it is desired to comment on is the necessity for joint action by the different bureaus in the same state such as is provided for in the Illinois law, and when there

is but one bureau, the advisability of having branch offices in the different industrial centers. The lack of employment is often geographic. Labor of a certain kind may be superabundant in one section and lacking in another. An employment bureau to realize its full usefulness, therefore, should acquaint itself with labor conditions throughout the state, and thus be able to equalize the demand and offer of labor in the different sections of the country.

BIBLIOGRAPHIC NOTE

The subject of employment bureaus is closely allied to that of unemployment, and any literature on the latter is apt to contain a consideration of employment bureaus. Special reference will here be made only to the *Report of the Massachusetts board to investigate the subject of the unemployed*. Boston, 1895.

For the laws regulating private employment agencies see *Labor laws of the United States*, 2d edition, 1896, published by the department of labor, and the *bulletins* of the department of labor.

For an account of the organization and work of the employment bureaus organized by the state labor bureaus see the reports of the labor commissioners of the states having employment bureaus. Among these the most important are:

- 1 Report of the Ohio bureau of labor statistics, 1890-1897.
- 2 Report of the Missouri bureau of labor statistics and inspection, 1897.
- 3 Report of the California bureau of labor statistics, 1895-1896.
- 4 Report of the New York bureau of labor statistics, 1896.
- 5 Report of the Massachusetts bureau of labor statistics, 1893.



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DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



VII
INSPECTION OF FACTORIES
AND WORKSHOPS

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

THIS MONOGRAPH IS CONTRIBUTED TO THE UNITED STATES SOCIAL ECONOMY EXHIBIT
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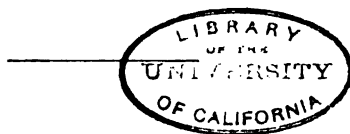
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THE INSPECTION OF FACTORIES AND WORKSHOPS IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

Factory inspection in the United States has followed and grown in consequence of the enactment of laws regulating the condition of labor in factories and workshops. A little consideration will show that these two classes of legislation are entirely different in character. The province of the first is to specify conditions; of the second, to see that they are enforced. The name inspection is in some respects misleading. The real duty of factory inspectors is to enforce laws. Their powers of inspection are but incidental to this duty, and are exercised in order that the latter may be more efficiently performed. Yet, in the majority of the states having factory laws, the inspection of factories was first provided for, and the power of issuing orders directing factory operators to comply with the provisions of the laws, or at least the granting to the inspectors of adequate powers for enforcing them through judicial action, was only granted later, as the necessity for such powers became evident. In a word, the inspector of factories is primarily a police officer with special duties.

The history of the development of the official inspection of factories and workshops in the United States is like that of most social legislation. One state has led the way by the enactment of tentative measures, which it has afterwards developed as dictated by experience. Other states have profited by the example and have taken similar steps. The moral influence of the action of states on each other in the United States is

great. A movement at first grows slowly, but as state after state adopts similar measures the pressure on others to do likewise becomes stronger, and the movement tends to advance at a constantly increasing rate.

In the field of the inspection of factories we are now in the midst of such a movement. Factory inspection in the United States is of comparatively recent development. Though Massachusetts, the first state to take steps in this direction, enacted its initial law for the inspection of factories in 1877, it was not till six years later, or in 1883, that its example was followed by another state—New Jersey. Wisconsin in the same year provided for inspection through its bureau of labor. Ohio followed in the succeeding year, 1884. The movement, once fairly started, however, has spread with increasing rapidity. In 1886 New York provided for factory inspection. In 1887 Connecticut, Minnesota and Maine did likewise. They were followed by Pennsylvania, California and West Virginia in 1889, Missouri and Tennessee in 1891, Illinois and Michigan in 1893, Rhode Island in 1894, Delaware, Indiana, Nebraska and Washington in 1897 and Kansas in 1899. There are, therefore, at the present time, 21 states that have made some provision for factory inspection.

Twenty-one states out of 45 is, of course, a small proportion. As has been stated, however, it is not a completed movement that is being studied. We are rather in the position of one who in the midst of action stops to look back and see what has been accomplished in order better to determine his course for the future. In considering the progress that has been made, moreover, the comparison should be not with the total number of states, but rather with those in which the manufacturing industry is largely developed. It will thus be seen that of the New England and middle states, all of which are manufacturing states, the smaller states alone—New Hampshire, Vermont and Maryland—have no inspection. In the middle western states, Ohio, Indiana, Illinois, Michigan, Missouri, Minnesota, Kansas, Nebraska and Wisconsin have

inspection officers. The far western and the southern states, if we except the slight measure of inspection in Tennessee, West Virginia, California and Washington, are absolutely unrepresented. In these states, however, the manufacturing interests are but little developed.

Finally, it is important to recognize that the growth of factory inspection lies not only in the creation of new departments in different states, but in the enlargement of the powers and the broadening of the scope of the work of inspection services after they have once been initiated. The principal development of factory inspection is found in the development of each particular bureau.

An appreciation of this development, therefore, can only be had by studying the development of factory inspection in each state in which action has been taken, after which the general features of the movement can be summarized.

Massachusetts. The Commonwealth of Massachusetts holds the preeminent place among the states as regards social legislation. Just as it has been the first to create a bureau of labor statistics, thus setting an example that has been followed by two thirds of the other states and several foreign governments, the first to establish a state board of arbitration and conciliation, the first to regulate the employment of women and children, etc., so it was the first to provide for the inspection of factories. It would be difficult to overestimate the influence that Massachusetts' labor legislation has exerted on the other states. The imprint of its legislation can be found — frequently verbatim — in the labor legislation of all the other states.

Massachusetts inaugurated its work of factory inspection by the passage, May 11, 1877, of the law entitled "An act relating to the inspection of factories and public buildings." This act is remarkable from the fact that it immediately made broad and efficient provisions for the regulation of labor in factories. It provided for the guarding of belting, shafting, gearing, etc. ; the prohibition of the cleaning of machinery when in motion ; the ventilation of factories ; the protection of elevators, hoist-

ways, etc. ; the furnishing of sufficient means of egress in case of fire, etc. Finally, it directed the governor to appoint one or more members of the state detective force to act as inspectors of factories, with the duties of enforcing not only this law, but other legislation relating to the employment of children and the regulation of the hours of labor in manufacturing establishments.

In 1879 this act was slightly amended by an act that abolished the state detective force and created in its stead a district police force, of which two or more members should be designated as inspectors of factories. In accordance with this act the governor appointed three inspectors, and the first report of their work was made in the year 1879. This year, therefore, really marks the beginning of factory inspection in the state.

It will not be practicable to mention all of the acts subsequently passed by which new regulations concerning the conditions of labor were enacted and the duties of the inspectors correspondingly increased. Some of the principal stages of the growth of inspection, can, however, be briefly mentioned.

In 1880 the duties of inspection were extended to mercantile as well as to manufacturing establishments, and the number of inspectors was increased to four.

In 1882 the number of members of the police force detailed for inspection work was increased to five.

In 1885 the district police force was increased to 20, of whom eight were reported in 1886 as detailed for inspection work.

In 1886 an important increase in the duties of the inspectors was made by the act of June 1, entitled "An act relative to reports of accidents in factories and manufacturing establishments." For the first time, therefore, provision was made for the reporting of accidents to laborers.

The year 1887 was prolific in labor legislation. One act was passed to secure proper sanitary provisions in factories and workshops ; another to secure their proper ventilation ;

a third to secure proper meal hours ; and another to amend the law relating to the employment of women and children. The number of inspectors was increased from eight to ten.

By an act of March 8, 1888, a much needed reform was accomplished by dividing the district police force into two separate departments of detective work and inspection. According to this act the inspection department was made to consist of ten members, not including a chief who was also the chief of the detective department. By a supplemental act of the same year the force of inspectors was increased to 20.

March 10, 1890, the law relating to the reporting of accidents was amended so as to make it relate to all proprietors of mercantile and manufacturing establishments, instead of to corporations only, as had been the case under the old law.

In 1891 the force of inspectors was increased to 26, and it was provided that two must be women. An important act of this year was that of May 28, entitled "An act to prevent the manufacture and sale of clothing made in unhealthy places," by which it was attempted to bring under regulation the growing evil of the sweating system. This act was afterwards amended in 1892 and again in 1893.

In 1893 provision was made for the appointment of an additional district police officer, with the duty of inspecting all uninsured steam boilers.

In 1894 the important service was performed of making a codification of all laws relating to labor in factories, the enforcement of which fell within the duties of the inspection department of the district police force.

In 1895 a great increase was made in the inspection duties of the state by the enactment of a law providing for the appointment of four inspectors to examine uninsured steam boilers and to act as a board to determine the competency of engineers and firemen intrusted with the care of such boilers.

The inspection force at the present time consists of one chief, 26 inspectors of factories (two of whom are women) and four inspectors of boilers.

New Jersey. New Jersey was the first state to follow the example of Massachusetts and provide for the inspection of factories. Its service was inaugurated by the act of March 5, 1883, entitled "An act to limit the age and employment hours of labor of children, minors and women, and to appoint an inspector for the enforcement of the same." By this act the governor was directed to appoint an inspector of factories at a salary of \$1200 a year, whose duties were to inspect all factories, workshops, etc., and to prosecute all violations of law before the proper judicial authorities. He was allowed expenses not to exceed \$500 a year.

In 1884, April 17, a supplemental act was passed providing for the appointment by the inspector of two deputy inspectors, at a salary of \$1000 a year each. The salary of the chief inspector was increased to \$1800, and his allowance for contingent expenses to \$1000. At the same time the original act was modified so as to enable infractions of the law to be more effectively prosecuted. The result of this act was to more than double the efficiency of factory inspection in the state.

April 7, 1885, there was passed what was known as a general factory act, which specified in considerable detail the precautions which must be taken in factories against accidents, and unsanitary conditions. The enforcement of this law was intrusted to the factory inspectors.

March 22, 1886, this act was slightly amended.

May 6, 1887, a new general factory act was passed in order to amend and elaborate the act of 1885.

In 1889 the number of deputy inspectors was increased from two to six, and the general factory act was amended, especially as regards the provision of fire escapes.

The most important subsequent acts relating to inspection were those of 1893 regulating the sweating system, the enforcement of which was intrusted to the factory inspectors, and of 1894 imposing on the factory inspectors the duty of mine inspection.

At the present time the inspection force of the state consists of one chief and six deputy inspectors.

Ohio. Ohio enacted its first law in regard to the inspection of factories April 4, 1884. This act called for the appointment of an "inspector of the sanitary conditions, comfort, and safety of shops and factories," at a salary of \$1500, and traveling expenses not to exceed \$600. The duties of this inspector were very limited indeed. Though he had the power of issuing orders, and noncompliance therewith was deemed a misdemeanor, no provisions were made whereby these infractions could be prosecuted.

In 1885 provision was made by the law for the appointment of three district inspectors.

In 1888 the reporting of all accidents to laborers was made obligatory upon manufacturers.

In 1892 a notable increase was made in the inspection force, by a law providing for the appointment of eight additional district inspectors.

The general factory laws were amended by the acts of March 17, 1892 and April 25, 1893, the purposes of which were to regulate in greater detail the conditions of labor, insure that proper precautions were taken against accidents, etc.

The year 1898, however, was especially prolific in legislation relating to factory labor. No less than eight laws of this character were passed. These laws provided for the regulation of bakeries, for which purpose two additional district inspectors were to be appointed, made obligatory the furnishing of seats and dressing rooms for female employees, ordered that blowers and exhaust fans should be provided to remove dust and other injurious substances, and made other regulations concerning the employment of children, the reporting of accidents, etc.

At the present time Ohio has one chief and 13 district inspectors of factories.

New York. New York offers an excellent example of the development of factory inspection in a state, after the initial

step had once been taken. The first act relating to factory inspection was passed May 18, 1886, and was entitled "An act to regulate the employment of women and children in manufacturing establishments, and to provide for the appointment of inspectors to enforce the same." By this act provision was made for the appointment of a factory inspector at a salary of \$2000, and an assistant inspector at \$1500 with an allotment of \$2500 for contingent expenses.

The following year the legislature greatly extended the inspection service. By an act of May 25, 1887, it authorized the appointment of eight deputy inspectors at a salary of \$1000 each, and the powers and duties of the inspectors were so increased as to give them a supervision over all of the most important features of factory life. June 15, 1889, the law was again slightly amended.

By an act of May 21, 1890, however, the law was materially changed and made more comprehensive. The most important of the new provisions were those providing for the appointment of eight women as additional factory inspectors, with the same salary as existing deputies, and increasing the allowance for contingent expenses to \$3500, exclusive of traveling expenses.

- May 18, 1892, an important extension of the province of factory inspection was made by the act of that date, which attempted to bring under regulation the sweating system. Advantage was also taken of the opportunity to collect in a single act most if not all of the laws relating to factories and their inspection. In a way there was created a factory code. The force of inspectors was maintained at the same number, viz, one inspector, one assistant inspector and 16 deputies. Salaries, however, were considerably increased, that of the chief inspector being raised to \$3000, that of the assistant to \$2500, and that of the deputies to \$1200 each. Provision was also made for a suboffice in New York city.

In 1893 the law was still further amended by the act of March 22, and made more stringent in its provisions. From

the standpoint of inspection the greatest change was that whereby provision was made for eight additional deputy inspectors, of whom two should be women.

The final step in the evolution of a regular labor code was taken in 1897 when by the law of May 13 all the labor laws, whether relating to factory inspection, arbitration, employment bureaus or other matters, were consolidated in a single law. More or less important changes were at the same time made in a number of laws. The most important with which we are here concerned provided that the number of deputy inspectors should be increased to 36, of whom ten might be women. Six of them should be especially detailed to inspect bakeries and enforce provisions regarding them, and one to act as a mine inspector.

Connecticut. The state of Connecticut created its service for the inspection of factories in 1887. The act provided for the appointment of an inspector to visit factories and see that proper precautions be taken against accidents, and proper sanitary regulations observed. This law has remained practically unchanged till the present time, and provides for a system of factory inspection which is far from efficient. Though Connecticut has on its statute books laws relating to the employment of women and children, the provision of proper fire escapes, etc., their enforcement does not seem to be intrusted to the factory inspector. There is also no provision calling for the reporting of accidents in factories. The orders of the inspector consist almost entirely of directions concerning the guarding of machinery or the observance of proper sanitary measures.

The only extension of this law that has been made in the succeeding decade was by the law of May 25, 1897, which provided for the rigid inspection of all bakeries by the factory inspector. It is made the duty of this officer to see that all bakeries are "properly drained, plumbed, ventilated and kept in a clean and sanitary condition and constructed with proper regard to the health of the operatives and the production of

wholesome food" and also to enforce certain other regulations concerning separate sleeping rooms for operatives, dressing rooms, etc.

There is at the present time but one inspector, though an appropriation is made for the appointment of special agents as assistant inspectors. Though the law providing for factory inspection was passed in 1887, the first report seems to have been made for the year 1889.

Pennsylvania. Though Pennsylvania is one of the most important manufacturing states of the Union, the creation of a service of factory inspection is of comparatively recent date. The first step in this direction was taken by the act of May 20, 1889, entitled "An act to regulate the employment and provide for the safety of women and children in mercantile and manufacturing establishments, and to provide for the appointment of inspectors to enforce the same and other acts providing for the safety or regulating the employment of said persons."

Though its action was considerably delayed, Pennsylvania by this act immediately created an efficient inspection service. The act provided for the appointment of an inspector of factories at a salary of \$1500 a year, and six deputy inspectors, three of whom should be women, at a salary of \$1000 a year. The inspectors were given broad powers to order necessary changes and to enforce them through prosecutions before the proper judicial officers. Although the bureau of industrial statistics exercised no supervision over the factory inspector, the latter was required to report to the chief of that bureau, and his early reports, therefore, are included in the reports of that office.

On June 3, 1893, a new act was passed, bearing the same title as the act of 1889 and replacing the latter, which practically doubled the efficiency of the inspection service. The number of deputy inspectors was increased from five to 12, five of whom should be women, and their salaries were raised to \$1200. The salary of the chief inspector was at the same time raised from \$1500 to \$3000. The inspector was also

required to report directly to the governor. His reports, commencing with that for 1893, have therefore appeared as separate volumes.

In 1895 the duties of the inspectors of factories were still further increased by the act of April 11, which was directed to the regulation of the sweating system in the clothing and tobacco industries. In order to provide for the increased work that would thus have to be done, the number of deputy inspectors was increased from 12 to 20.

April 29, 1897, a law was passed amending in important respects the existing law regarding the employment of women and children. The provisions of the existing law were extended so as to embrace mercantile establishments, laundries, printing offices, etc. ; other sections required the provision of seats for female employees, and the use of mechanical belt and gear shifters, and regulated the lighting and heating of factories and the inspection of boilers.

By two other acts of the same year, passed May 5 and May 27, respectively, the laws regarding the sweating system and the inspection of bakeries were made more rigid and effective.

Finally, by the law first mentioned, the chief inspector was provided with a chief clerk, an assistant clerk and a messenger. The inspection department at the present time, in addition to this office force, consists of 21 persons, a chief and 20 deputy inspectors.

Illinois. The state of Illinois created an inspection service by the act of June 17, 1893. The immediate cause leading to its establishment was the desire to abolish the manufacture of clothing in tenements, or the so called sweating system. The act, however, not only contained revisions to this effect, but regulated the employment of women and children generally, and authorized the appointment of an inspector at a salary of \$1500 a year, an assistant inspector at \$1000, and ten deputies, five of whom must be women, at \$750 each. Power was given to them to enforce their orders through judicial prosecution.

A comprehensive inspection service, however, was by no means created, as the duties of the inspectors were strictly limited to enforcing the provisions of the act by which they were authorized, and therefore embraced little but the regulation of the sweating system and the employment of women and children. In 1897 a number of laws were enacted materially extending the system. The law of May 27 made obligatory the provision of fire escapes as required by the factory inspectors. The law of June 9 extended the law regulating the employment of children so as to include every gainful occupation, and it was broadly stated that no child under 14 years of age should be employed for wages in mercantile establishments, laundries, offices, or any such place; and the law of June 11 made detailed provisions concerning the use of blowers and fans to remove dirt and other substances injurious to the health of employees.

Rhode Island. The state of Rhode Island provided for the inspection of factories by the act of April 26, 1894. This act created at once a very efficient system of factory inspection. It not only provided for the appointment of two inspectors, one of whom must be a woman; but regulated the employment of children; directed that all elevators or hoistway entrances should be guarded; that no person under 16 years of age should clean machinery while in motion; that machinery should be guarded; that separate toilet facilities should be provided for female and male employees; that accidents should be promptly reported; and, generally, that the inspector should issue all needful orders to secure the proper heating, lighting, ventilation or sanitary arrangements of factories and workshops.

Power was given to the inspectors, moreover, to enforce their orders by prosecuting delinquents before the proper courts or magistrates.

Maine. An inspection service was first organized in Maine by the act of March 17, 1887, entitled "An act to regulate the hours of labor and the employment of women

and children in manufacturing and mechanical establishments." This act provided for the appointment of a deputy commissioner of labor at a salary of \$1000 per annum, and specified his duties to be "to inquire into any violations of this act, and also to assist in the collection of statistics and other information which may be required for the use of the bureau of industrial and labor statistics." The appointment of assistant deputies, if needed, at a salary of \$2 a day was also authorized.

It will be seen that no really effective system of inspection was provided by this act. The powers of the deputy were strictly limited to those of inspection and report. The means of enforcing his orders, without which inspection has little reason, were absolutely wanting. In 1893 the title of "deputy commissioner of labor" was changed to that of "inspector of factories, workshops, mines and quarries," a change chiefly significant as showing that the true nature of the office was becoming better understood.

By an act of the legislature, March 29, of the same year, it was made the duty of the inspector to examine as to the extent to which the law in regard to doors swinging outward was complied with, and as to the sanitary condition of factories, workshops, mines and quarries, and to report annually to the governor. It was under the provisions of this law that the first report of the factory inspector was issued in 1893. These reports are incorporated in the reports of the bureau of industrial and labor statistics. Though the law states that it is the duty of the inspector to enforce certain laws, there is no way specified by which this shall be done, and the reports of the inspector do not indicate that he ever ordered any changes to be made, or attempted any prosecutions in order to enforce labor laws.

Indiana. No provision for the inspection of factories in Indiana was made till the passage of the law of March 2, 1897. This law was a very comprehensive enactment. It provided for the more efficient regulation of the employment of women

and children, contained provisions for the regulation of the sweating system, and finally created the offices of inspector and assistant inspector of factories. The duties of these officers which were to enforce the labor laws of the state comprehended the enforcement of laws relating to the employment of women and children, the guarding of machinery, the lime washing of factories, the provision of fire escapes, the reporting of accidents, and numerous other obligations imposed on factory owners.

Though one of the latest states to take action, Indiana has by this law provided one of the most effective factory codes of any of the states.

Michigan. The first bill to provide for factory inspection in Michigan was introduced in the state legislature in 1891 but failed to pass. In 1893 another bill was introduced, passed and went into effect August 25, 1893. The bill as introduced, contemplated a separate bureau. As passed, it provided that factory inspection should be a part of the work of the bureau of labor and industrial statistics. The title of this act was "An act to regulate the employment of women and children in manufacturing establishments in the state, to provide for the inspection and regulation of such manufacturing establishments, and to provide for the enforcement of such regulation and inspection."

This act provided for the annual inspection of manufacturing establishments by the commissioner or deputy commissioner of labor, or by persons acting under their authority, for the payment of which \$4000 should be annually appropriated. In addition to creating an inspection service it also embraces a great many provisions of a general factory act. It thus makes it the duty of the inspectors to see that proper safeguards are taken against accidents; that factories are provided with fire escapes; that suitable toilet facilities are provided for male and female employees in different rooms; that exhaust fans are provided where necessary; and most important of all, the inspectors were given the power to

enforce their orders by the prosecution of delinquents in the courts of competent jurisdiction.

Michigan thus provided for an efficient system of factory inspection as far as the powers and duties of the inspectors were concerned. The appropriation of only \$4000 a year for this work was, however, far from sufficient to carry out the work, and the mistake was made of making inspection a branch of the bureau of labor instead of an independent service.

For the first year four inspectors were appointed, and for the second year five inspectors. In 1895 the act was amended by raising the appropriation for inspection from \$4000 to \$8000 a year. No limit was placed on the number of deputies that might be appointed save by the amount of the appropriation.

Further amendments were made in 1897 by the laws of April 24, May 17 and June 2. By these acts the annual appropriation for factory inspection was increased to \$12,000 and it was ordered that all manufacturing establishments should be inspected at least once in each year; the law relating to child labor was amended; the minimum age at which children could be employed being placed at 14 years; and the provision of safety appliances for all elevators was made obligatory.

Missouri. By act of May 19, 1879, Missouri created a "bureau of labor statistics and inspection of factories, mines, and workshops." In spite of its title, however, this bureau by no means constituted a bureau of inspection. An examination of the reports of the bureau shows that its efforts have been almost wholly directed to securing information, and not to inspection with the view of enforcing particular laws.

On April 20, 1891, an act was passed which made a considerable number of technical provisions concerning the provision of safeguards against machinery; the guarding of elevator shafts; the reporting of accidents; the provision of fire escapes, etc. This act, however, was made to apply only

to cities and towns with a population of 5000 or over, and made it obligatory on such to appoint an inspector with deputies to inspect all factories employing ten or more persons and to see that the provisions of the act were complied with. These inspectors were directed to report semi-annually to the commissioner of labor.

It would be difficult to conceive of a system less likely to be productive of valuable results than this localization of the work of inspection and distribution of authority. In fact, the commissioner of labor has reported during the succeeding years that the law has been ignored by a great many cities of the state. As yet, therefore, Missouri can not be said to possess any very effective system of factory inspection.

Wisconsin. In Wisconsin the law of April 12, 1883, providing for the creation of a labor bureau, made it a part of the duties of the commissioner of labor to inspect all factories and to see that the laws regarding fire escapes, the protection of employees against accidents, the employment of women and children, etc., were complied with, and to enforce the same by prosecutions before the courts. It was manifestly beyond the power of the commissioner to do more than slightly fulfil these duties.

April 4, 1885, the labor bureau was reorganized, and among other changes provision was made for the appointment of a special inspector of factories as one of the officers of the bureau. At the same time the laws relating to the conduct of labor in factories were considerably elaborated and made more stringent. This law thus provided for a fairly complete system of factory inspection, though but a single inspector was provided for, and he was made an officer of the labor bureau instead of an independent official.

The first report of inspection was made for the years 1885 and 1886, and is included in the biennial report of the commissioner of labor. Subsequent reports have appeared in the same way.

In 1887 the inspection laws were enlarged; authority was

granted to appoint two inspectors instead of one, and the great defect of prior legislation was remedied by attaching penalties for the violation of the factory acts and increasing the powers of the inspectors to enforce their orders and prosecute offenders.

Since this date other acts slightly amending the factory acts have been passed, but the inspection service remains as it was then.

Minnesota. The act of 1887 creating a bureau of labor statistics in Minnesota specifies as a part of the duties of the commissioner that he shall cause to be inspected the factories and workshops of the state, "to see that all laws regulating the employment of children and women and all laws established for the protection of the health and lives of operatives in workshops, factories, and all other places where labor is employed are enforced." In case his orders are not complied with, he is directed to make formal complaint to the county attorney, which officer must then proceed to the prosecution of the offender.

The first material change in this law was made in 1893. This act, while leaving inspection a part of the duties of the labor bureau provided for the appointment of a special inspector of factories and two deputy inspectors. The duties of these officers broadly stated are "to cause to be enforced all laws regulating the employment of children, minors, and women; all laws established for the protection of the health, lives, and limbs of operatives in workshops and factories, on railroads and in other places, and all laws enacted for the protection of the working classes."

The reports of these inspectors are contained in the biennial reports of the commissioner of labor, the first inspection report being that for the years 1893 and 1894.

Delaware. The state of Delaware inaugurated a factory inspection service by a law enacted May 10, 1897. This law had special reference to the regulation of the employment of women, and referred only to the incorporated towns and cities

of the county of New Castle, or the county in which the only two important cities of the state, Wilmington and Newark, are situated. This law requires that wherever ten or more women are employed there must be provided a separate room in which the women can dress, wash and lunch, separate water closets for the two sexes, and that rests for females must be furnished. Finally, provision is made for the appointment of a female inspector by the chief justice of the state to enforce the provisions of the act. She is required to report annually to the chief justice. Her salary is but \$300.

Nebraska. The law of March 31, 1887 creating a bureau of labor in Nebraska, provided that it should be a part of the duty of the commissioner of that bureau to visit industrial establishments and see that the laws in respect to child labor, hours of labor for women and children, fire escapes, and similar enactments were enforced. As no provision for deputy inspectors was made, no effort to carry out a system of the inspection of factories was ever attempted.

Washington. The legislation of the state of Washington is similar to that of Nebraska. By the law of March 3, 1897, provision was made for the appointment of a commissioner and an assistant commissioner of labor to act as "factory, mill and railroad inspector." These officers were given the duties, among others, of enforcing the laws relating to the employment of women and children and having for their purpose the protection of the lives and health of employees. It is doubtful if any effective system of factory inspection can be created under this law.

Tennessee. Such a slight measure of factory inspection has been provided for in Tennessee that the barest mention will be sufficient. The act of March 21, 1891, creating the bureau of labor and mining statistics, also makes it the duty of the commissioner to inspect factories and workshops. As the power of the commissioner is limited to investigations, and his time is so largely taken up with his other duties, practically nothing is accomplished in the way of real factory inspection work.

California. In California provision for a measure of factory inspection was made by a law passed in 1889. This law made it obligatory on factory owners to keep their establishments in a clean and hygienic condition, to guard against the formation of dust, to provide seats for females where practicable, etc. Another law passed in the same year regulated the employment of children. The enforcement of both of these laws was made a part of the duties of the commissioner of labor, and to that extent this officer serves as a factory inspector, though there seems to be no express provision of law requiring him to visit industrial establishments.

West Virginia. The act of 1889 creating a state bureau of labor in West Virginia provided that the commissioner of labor should "once at least in each year visit and inspect the principal factories and workshops of the state, and shall on complaint or request of any three or more reputable citizens, visit and inspect any place where labor is employed, and make true report of the result of his inspection." He is then directed to report any infraction of the law that he may discover to the state's attorney for prosecution. As this law, however, contains absolutely no provisions regulating labor, and there are no other laws of this character in the state, it would seem that the commissioner has properly speaking no duties under this law, and the state consequently no effective system of factory inspection.

Kansas. In 1899 Kansas reorganized her bureau of labor. The chief of this bureau is styled both commissioner of labor and state inspector of factories, and, as these two designations indicate, has the twofold duty of collecting statistics of labor and inspecting factories. He is directed to enforce all the labor laws of the state.

In this history of the organization of factory inspection in the individual states, special attention should be given to the kind of administrative organization that has in each case been selected. This is one of the most important considerations involved in the question of factory inspection, for on it de-

depends to a large extent the effectiveness of the system that has been adopted. Eleven of the 21 states — Maine, Michigan, Missouri, Minnesota, Wisconsin, Nebraska, Washington, California, West Virginia, Kansas and Tennessee — have connected the duty of inspection with the bureau of labor statistics. The adoption of this policy is in every way regrettable. An inspection service, to accomplish the best results, should be absolutely independent of all other work.

The function of the factory inspector is to see that certain laws relating to the conduct of labor in factories are enforced, and to do this he should possess a certain technical knowledge, such as that relating to machinery, hygiene, ventilation, construction of buildings, etc. The duties of the commissioner of labor are to collect facts and present them properly. The greatest objection to joining the two offices, however, is not that it is difficult to find a man with the mental equipment for them both, but that the two classes of duties are largely antagonistic. The labor commissioner has to depend on the good will of the employers for his information, while the inspector has frequently to oppose the latter's wishes.

The advisability of an independent inspection service can not be shown better than by reproducing the remarks of the chief factory inspector of New York concerning the proposition to combine the three services of the bureau of labor statistics, the board of arbitration and office of factory inspection.

Such a plan, if carried out would be to the detriment of the work of factory inspection. The duties of a factory inspector are of a police nature. He must see that certain provisions and restrictions of law are obeyed; that children of certain ages must not be employed; that guards must be attached to dangerous machines; that women and children shall not work during certain hours; that unsafe buildings must be made secure, and a score of other matters, concerning all of which he must exercise the compulsory arbitrary powers of the state. In case of refusal to comply with his orders, it involves upon him to swear out warrants for the arrest of the delinquent persons and prosecute them to the full extent of the law. These duties, which are only briefly outlined, are not compatible with the work of gathering statistics and arbitrating differences between employers and employed,

especially as the work of factory inspection may often times bring him into contact, if not into conflict with the very persons to whom appeals must be made for reliable statistics or on whose sense of fairness must rest the conciliatory policy of arbitrating wage or other difficulties in labor controversies . . . It will thus be seen that the duties of the commissioners of statistics and arbitration and those of the factory inspector are in no way harmonious and are in many respects antagonistic and dissimilar.

Experience has more than demonstrated the correctness of this reasoning. In those states in which factory inspection has been joined to the bureau of labor relatively slight results have been accomplished, and one might almost say that a real system of factory inspection exists only in the 10 states of Massachusetts, New Jersey, Ohio, New York, Illinois, Connecticut, Pennsylvania, Indiana, Michigan and Rhode Island, which have independent inspection services.

The duties and powers of inspectors of factories. We now turn to a consideration of the character of the work that has been assigned to factory inspectors; in other words, to their duties and powers. In the historical sketch of the development of factory inspection no attempt was made to state all of the duties that were placed on factory inspectors in each state. Only such were specified as tended to show the growth of the service in each state. In the following table the attempt has been made, after a careful examination of the laws relating to factory inspection, or laws the enforcement of which is intrusted to the inspectors, to present in a concise form the duties of factory inspectors in each of the 20 states. The adoption of this method of presentation makes it possible to compare at a glance the extent of the services in the different states. This table, of course, only indicates the extent of the duties of inspection, but throws no light on the efficiency with which they are performed. Thus a state that has enumerated but a few duties may provide for an adequate force of inspectors and really accomplish more valuable results than another state with an elaborate inspection law, but inadequate provisions for its enforcement.

This table does not pretend to show absolutely all the duties of factory inspectors. Frequently the laws are so generally worded that it is largely left to the discretion of the inspectors to determine whether the conditions under which factory employees labor are sanitary and proper precautions are taken against danger. It does show, however, the extent to which the states have specified certain regulations that must be observed, and consequently the features with which it is believed factory inspection should be concerned. The states having provisions concerning the subjects shown in the first column are indicated by a dash. It is believed that this table gives a very approximate idea of the scope of the duties of factory inspectors in the United States.

An examination of this table shows in the clearest way the character of factory inspection as practised in the United States. It is at once evident how largely legislation in one state affects legislation in the others. A state enacting new laws frequently but copies the legislation of the other states.

As regards the duties of inspectors, it will be seen that they may be divided into a number of quite distinct classes. First, there is the enforcement of certain general labor laws relating to the employment of women and children, the provision of seats for females, and of separate toilet facilities for the two sexes, the payment of wages in cash and at intervals of certain frequency, and the allowance of an adequate length of time to women and children at noon for their lunch.

A second class of duties is that relating to the provision of suitable means of egress in case of fire. This finds expression in the requirement that fire escapes shall be placed on factories, and that doors shall be so hung as to open outward and shall be kept unlocked during working hours.

A third and most important class is that relating to the obligation of factory operators to take all needful precautions to protect workingmen against accidents. This is done by requiring that machinery and vats containing molten metal or hot liquids must be properly guarded; that machinery in

motion must not be cleaned by women or minors; that mechanical belt and gear shifters be provided; that a speaking tube or some other means of communication be provided between any room where machinery is used and the engineer's room; that elevators be provided with safety appliances and that they and all hoistway openings be properly railed off; that sides or railings be placed on all stairways; that there be exhaust fans to prevent dust or other deleterious products from being inhaled by the operatives; that no use be made of explosive or highly inflammable compounds except under special precautions; and, finally, that exceptional precautions, the determination of which lies largely in the discretion of the inspectors, be taken in the case of all dangerous or injurious occupations.

Fourth, there are the general provisions relating to the sanitary condition, ventilation, lighting, heating and overcrowding of factories. Under sanitation it is usual to specify that water closets, privies and drains shall be tight and kept in good condition. A few states, it will be seen, require walls to be lime washed or painted once a year.

Fifth, there is the duty of inspectors to keep a record of all accidents to employees of factories, and to report annually concerning them. This information is obtained through the obligation placed by law on all employers of labor to report all accidents to the inspection department. There are few who are interested in or concerned with the inspection of factories who fail to recognize the utility of obtaining as nearly complete data as possible concerning the occurrence of accidents to laborers, their cause, character, etc. Such information is desirable, first of all, in order to determine which are the industries and the particular manipulations or machines that are responsible for accidents. It is thus possible to determine what steps should be taken for lessening their frequency. Secondly, it is necessary in order that the public and law makers may be made to realize the importance of requiring the provision of safety appliances and of the rigid enforcement of precautionary regulations.

The collection of this information, if it is to be made, naturally falls within the province of the factory inspectors. It is much to be regretted, therefore, that these officers for the most part either have not been given the power to obtain this information or have not organized their inquiries on a sufficiently broad basis. Though nine states, as will be seen by the table, provide in their factory laws that accidents shall be reported by manufacturers, in none of them is there any pretense that anything like complete returns of accidents are obtained. Even in the cases of the accidents that are reported, the description of their causes, results and character is far from sufficiently full. The laws directing the reporting of accidents usually read that the employers of labor shall report to the chief factory inspector all accidents causing the death of an employee or his incapacity to work for a certain duration of time. It is also to be regretted that no uniformity exists in such data in the different states as regards the classification of accidents either by causes, extent of injury, or party at fault. The very important classification of accidents into those causing death, permanent total, permanent partial, temporary total and temporary partial incapacity is in no case made.

Any attempt to make a study of accidents to labor in factories in the United States is, therefore, out of the question. The only point for congratulation is that the necessity for reporting accidents has been recognized by a number of states, and that thus a beginning has been made that may receive a fuller development in the future.

Within recent years the office of inspector of factories has become of increased importance through the development of the so called "sweating system," and the attempt to control or abolish it through legislative enactments. Wherever laws have been enacted for this purpose their enforcement through the factory inspectors of the state has constituted an essential feature of the law. In these states, therefore, the regulation of this system of work has become one of the most important duties of the factory inspectors.

The above classes constitute the regular and ordinary duties of factory inspectors. There has been a tendency, however, to impose on these officers certain additional duties which can be and frequently are intrusted to other officers; such, for instance, are the inspection of mines, the inspection of steam boilers, the inspection of schoolhouses, theaters and other public buildings.

Finally, in recent years, a number of states have passed special regulations concerning the conduct of the bread making business. These provisions are that such work shall not be carried on in cellars; that workrooms shall not be used as sleeping rooms; that privies and water closets shall not be maintained within a certain distance of the bakeries, etc.

Of the states, Massachusetts not only possesses the most advanced and detailed code of labor laws, but has made the most efficient provision for their enforcement. No better method can, therefore, be adopted for showing the character of factory inspection in the United States, where it is best developed, than to reproduce the summary of the duties of the inspectors of this state, as recapitulated by the chief factory inspector in his report for the year 1895. There is all the more excuse for reproducing the duties of the inspectors of this state, since it is to its laws that all of the states turn when contemplating similar legislation. On page five of this report the chief inspector says:

There are now 26 officers exclusively employed in the inspection department. Some idea of the extent and nature of the duties of the inspectors may be had by reference to the statutes defining them; but not even the detailed reports of the several inspectors made to this office can give, to those not familiar with the matters discussed, an adequate idea of the vast amount of labor performed by this department. Its duties embrace the enforcement of the laws relating to the hours of labor; the protection of operatives from unguarded machinery; the employment of women and minors; the schooling of children employed in factories and workshops; the preservation of the health of females employed in mechanical manufacturing, and mercantile establishments; reports of accidents in manufactories; safety appliances for elevators; provisions for escape from hotels and other buildings in case of fire; proper ven-

tilation for factories and workshops, and uniform meal hours for children, young persons, and women employed therein; the suppression of nuisances from drains, and provisions for water closets, etc., for the use of each sex employed in factories and workshops, and various other sanitary regulations; the inspection of buildings alleged to be unsafe or dangerous to life or limb, in case of fire or otherwise; the submission to the inspector for approval of a copy of plans and specifications of any building designed for certain public purposes, as factory, workshop, mercantile structure, hotels, apartment houses, lodging or tenement houses, above a certain height; communication between the engineer's room and each room where machinery is run by steam, in every manufacturing establishment; proper safeguards at hatchways, elevator openings, and well holes in public buildings, factories, and mercantile establishments, forbidding the use of portable seats in isles or passageways in public halls, theaters, schoolhouses, churches, and public buildings during any service held therein; requiring fire-resisting curtains, approved by inspectors, for use in all theaters, etc.; competent watchmen, lights in hotels, gongs or other proper alarms, and notices posted describing means of escape from fire in boarding and lodging houses above a certain size, family and public hotels; fire escapes on tenement or lodging houses three or more stories in height; prohibiting during working hours the locking of any inside or outside doors of any building where operatives are employed; public buildings and schools in respect to cleanliness, suitable ventilation, and sanitary conveniences; the weekly payment of wages by certain corporations to each of their employees; the inspection of uninsured steam boilers; the examination as to the competency of engineers and firemen in charge thereof; the enforcement of the act relating to the manufacture and sale of clothing made in unhealthy places; the enforcement of the act relating to the heating of street-railway cars, and the enforcement of the act requiring specifications to be furnished to persons employed in cotton, worsted, and woolen factories.

It is not necessary at this date, even were this the place, to attempt to show the necessity for, or all the advantages resulting from factory inspection. Some of the most important of these latter, however, will bear mention. If it is desirable to have factory and labor laws, it is certainly desirable to have them enforced, and experience has demonstrated that without inspection many labor laws will remain dead letters. But apart from performing the duties for which they are created, they indirectly perform many other services. Many of the inspectors of factories report that they have been of con-

siderable use in spreading information concerning the best mechanical devices for guarding against accidents. In the performance of their duties they become acquainted with the best contrivances, and are able to suggest their employment in factories inefficiently equipped. The directors of these latter are often only too thankful to have them called to their attention. The reports of the inspectors, moreover, are becoming more and more valuable as repositories of information concerning labor conditions of a character that can not be obtained elsewhere. They contain descriptions, accompanied by illustrations, and plans of the best devices for guarding machinery, of protecting elevators and shaft openings, of carrying away dust and odors by the use of exhaust fans, of the best forms of fire escapes, of plans for ventilating and heating factories, schoolhouses and other buildings, etc. The practical contact of inspectors with labor conditions enables them to determine with special accuracy the results of labor legislation, and to recommend with authority its amendment or elaboration.

In concluding this account of the inspection of factories and workshops in the United States, some mention should be made of the International association of factory inspectors. This organization though created as the result of private efforts, yet may be said to have an official standing. It was created and held its first annual convention in 1887. The object of the association is to bring together annually all officers of the government in the United States and Canada whose duties relate to the inspection of factories, workshops and public buildings. It is scarcely necessary to comment on the utility of such a gathering. The majority of the inspectors are new and inexperienced in their duties. They can thus avail themselves of the experience of the older inspectors. Specially can the very desirable object of rendering more uniform the legislation and practices of the states be advanced. The report of the proceedings and the papers read at the conventions are not only separately published, but are frequently included as appendixes to the reports of individual states.

BIBLIOGRAPHIC NOTE

The primary and most important source for the study of legislation in the United States concerning the inspection of factories is of course the reports of the chief inspectors of the different states having such services. The proceedings of the annual meetings of the International association of factory inspectors are also of great value. The laws concerning the subject can probably best be found in the special report of the U. S. Department of labor on labor laws, 1896, and the bulletins of the same department. The present paper is but the elaboration of a report made to the *Congrès international des accidents du travail et des assurances sociales*, Brussels, 1897, and published in the proceedings of that body. It was also published in the bulletin of the Department of labor, No. 12, September, 1897. The Handbook of the Labor Law of the United States, by F. J. Stimson, 1896, can also be consulted with profit.



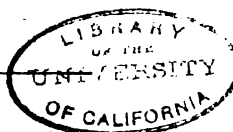
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DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



VIII

INSPECTION OF MINES

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

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MINE LABOR AS REGULATED BY LAW IN THE UNITED STATES

By WILLIAM FRANKLIN WILLOUGHBY

The conditions under which mining operations must be conducted are so peculiar and offer such peculiar dangers that most nations have found it desirable to enact special laws regulating the manner in which this industry must be prosecuted. The present article is an attempt to show in a rapid sketch how this obligation has been interpreted by the different commonwealths of the United States. In other words, it is desired to show to what extent the mining of coal in the United States is considered an industry requiring special regulation, and what is the character of this regulation as it exists at the present time.

Coal is mined in considerable quantities in only a portion of the United States. We therefore find that of the 45 states and three organized territories 18, or slightly over one third, do not possess any laws relating specially to coal mining. In most, if not all of these, there is little or no mining done. Disregarding these there remain 30 states, namely, Alabama, Arkansas, California, Colorado, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Michigan, Minnesota, Missouri, Montana, Nevada, New Jersey, New Mexico, New York, North Dakota, North Carolina, Ohio, Pennsylvania, South Dakota, Tennessee, Utah, Washington, West Virginia and Wyoming that have enacted more or less detailed laws concerning mining. A study of the extent to which coal mining is subjected to special legal regulation therefore involves only the consideration of the legislation of these 30 states.

An examination of these various laws shows that a very general agreement has been reached by the different legislatures in regard to the character of the regulations that should be provided. The laws of all are strikingly similar. The

same provisions and even the same phraseology are found repeated in the statutes of state after state. The differences that exist are mainly in the extent to which regulation is attempted and the efficiency of the system that is provided for its enforcement. It is quite feasible, therefore, to study the legislation of the states as a whole.

If these mining laws be examined analytically it will be seen that their purposes can be grouped in six distinct classes: 1) the regulation of the employment of women and children; 2) the formulation of a set of rules and regulations setting forth more or less specifically the manner in which the operation of mining must be conducted; 3) the insuring that competent men will be employed to fill responsible positions, which is largely done through a system of state examination and the granting of certificates of competency; 4) the requirement that all fatal or serious accidents be reported and investigated; 5) the protection of the rights of miners through regulating the manner of weighing or measuring the quantity of coal mined and the frequency and character of wage payments; and 6) the provision of an inspection service for the purpose of insuring that the laws relating to mining are duly enforced. By taking up each of these points in turn we shall be able to obtain a clearer idea of the extent to which these various objects have been provided for by the different states.

First, in regard to the extent to which the employment of women and children has been specifically prohibited:

Of the 30 states to which we have accredited mining laws ten, Alabama, Arkansas, Colorado, Illinois, Indiana, Missouri, Pennsylvania, Washington, West Virginia and Wyoming absolutely forbid the employment of women either in or about mines (clerical work in offices sometimes excepted). As regards the employment of children, however, 20 prohibit the employment of both sexes under a certain minimum age. The five states, Alabama, Iowa, North Carolina, Tennessee and West Virginia have the least rigid exclusion, their laws providing that children under 12 years of age, and in addition

those children under 14 in Missouri, those under 15 in New Jersey and those under 16 in the other states shall not be employed unless they are able to read and write. Ten states, Arkansas, Idaho, Illinois, Minnesota, Indiana, Montana, Pennsylvania, South Dakota, Washington and Wyoming have fixed the minimum employment age at 14, and Arkansas has in addition required boys under 16 to be able to read and write as a condition precedent to employment. Ohio prohibits the employment of children under 15 years of age in mines. The United States statutes on this subject simply provide that children under 16 years of age can not be employed in any mine in the territories. These prohibitions apply to work above as well as under ground, with the exception of Pennsylvania where the employment of children under 14 years of age in mines is prohibited, but boys between the ages of 12 and 14 years are allowed to work about mines.

It is interesting to note that but four states have attempted to regulate the hours of labor of adults in this industry. Utah and Wyoming have declared eight hours to constitute the maximum length of the working day that can be required of any miner, unless extra efforts are required to save property or life; and Montana in 1897 imposed a similar limitation on the hours of labor of hoisting engineers in mines. Ohio passed a somewhat similar law limiting the hours of labor of railway and mine employees to ten a day. These restrictions, it should be understood, do not prevent mine owners from operating their mines any number of hours, by using different shifts of men.

The constitutionality of these laws has been repeatedly contested on the ground that they interfered with the liberty of contract and the property rights of employers as guaranteed by the constitution. The Ohio law was declared unconstitutional. On the other hand, the supreme court of the United States, in a notable decision in 1898, sustained the Utah law. This would seem to establish definitely the power of the states to pass laws limiting the hours of labor of mine employees.

Much the greater portion of the mining laws is devoted to setting forth in greater or less detail the various regulations which must be observed in the working of mines. The development of these has been in almost all cases one of gradual evolution. The earlier laws simply provided that proper precautions should be taken to secure the safety of miners. From year to year additional legislation was enacted, specifying particular conditions that must be observed. In time these provisions were gathered together and reenacted as a single law, thus constituting what might be called a mining code.

It is manifestly impracticable to attempt here to describe the exact character of the legislation in each state individually. Fortunately, even the desirability of doing this does not exist. The same provisions are found reproduced with but little change in the laws of almost all the states, the only difference being in the extent to which the formulation of mining regulations has been carried. The following recapitulation of the essential provisions of this legislation gives all of the material points covered by any of the mining laws. Some of the states, notably Pennsylvania, cover practically all of the points here enumerated in their laws, while others merely include the most important.

The mining code of an American state in its most developed form therefore provides: 1) that every owner, operator or superintendent of a mine employing over a certain number of persons, usually ten, shall cause to be prepared an accurate map or plan of such mine on a scale of 100 or 200 feet to the inch showing all the workings of the mine; that this map shall be revised at least once in six months in order to show new workings; that when a mine is abandoned a final accurate map must be made of it, and that copies of these maps must be furnished to the mine inspector and other copies be kept where they can be readily inspected at the mines; 2) that in mines where 20 or sometimes ten persons are employed there must be at least two escapement openings to the surface from

each seam, separated from each other by natural strata of a certain thickness, 100 or 150 feet; 3) that mines must be so ventilated by artificial means that there will be furnished a minimum of 100 cubic feet of air a minute for each person employed; 4) that doors used to direct or control ventilation be so hung that they will close automatically and that door-keepers be provided for the more important passages; 5) that an adequate supply of timber for props be constantly available; 6) that suitable means be provided for raising or lowering workmen in mines, and to secure this that the cage used for this purpose have a top or bonnet of metal to protect the passengers from articles or rocks; that no single cable be used; that the cage be equipped with a safety catch; and that the cable drum be provided with flanges and a brake; 7) that all passage-ways through which cars pass have shelter holes in the sides not less than 15 or 30 feet apart into which workmen may retreat to avoid passing cars; 8) that the mines be kept well drained; 9) that there be a metal speaking-tube or other means of vocal communication between the bottom and top of all shafts; 10) that a certain code of signals, usually as specified in the act, be employed to regulate the movement of the cages up and down the shafts; 11) that only authorized persons be allowed to ride on loaded cars and cages; 12) that no coal be hoisted while men are ascending or descending the shafts; 13) that all machinery be properly guarded; 14) that abandoned passages be closed; 15) that shaft openings be fenced; 16) that steam boilers be inspected at certain intervals; 17) that only a certain quality of vegetable or animal oil be used for lighting; 18) that precautions be taken to prevent injury from falling coal or rock; 19) that blasting operations be properly regulated; 20) that copies of mining rules be conspicuously posted. For mines generating fire-damp special precautions must be taken, as 21) that they be examined every morning with a safety lamp before miners go to work; 22) that all safety lamps be owned by mine owners; 23) that bore holes of a certain depth be kept in

advance of the workings of all passages when approaching workings.

The above are the usual provisions of a mining code. In a few cases conditions are given which are not included in this list. Thus Pennsylvania requires all stables in mines to be built in the solid strata without the use of wood; Pennsylvania and Montana, that stretchers be provided for removing injured workmen; and Kansas, that all blasts be fired by special firers.

Rules, however, can never replace the personal element. The best of rules are of but little avail unless competent men can be secured to supervise their application. The most significant and important feature of the whole system of mine regulation, therefore, is that by which a number of states have sought through a system of examinations to insure that those in charge of the actual operations of mining shall be competent men. The positions thus specially provided for are those of mine foreman or boss, fire boss, and occasionally that of hoisting engineer.

The majority of the mining states, including California, Colorado, Kansas, Maryland, New Mexico, Tennessee and West Virginia, simply provide that the underground operations of mines shall be in charge of a competent superintendent or mining boss, whose special duties are to see that a proper amount of ventilation is provided, that the walls and roof are properly timbered, etc., and that in the case of all mines generating fire-damp there shall be employed a "fire boss," with the duty of examining all working-places for gas every morning before the miners go to work.

The more important mining states, however, have gone much further. They have treated the positions of "mine boss" and "fire boss" as of such responsibility that no one is allowed to fill them till it is duly certified by the state that he possesses the required competency and experience. These positions have thus been put into the category of licensed occupations, such as piloting and plumbing. States have thus

required on the one hand that every mine be under the supervision of such officers, and on the other that these officers be in possession of certificates of competency granted after satisfactory examination.

The Pennsylvania law, for example, provides that on the petition of any mine inspector the court of common pleas in any county in the district shall appoint a board of examiners to consist of a mine inspector, a miner who has received a certificate of competency, and an operator or superintendent, whose duty it is to examine all applicants for the position of mine or fire boss. To secure a certificate of competency it is necessary for an applicant 1) to be at least 23 years of age; 2) to have had five years' experience as a miner in bituminous coal mines of the state after he had attained the age of 15 years; 3) to be a citizen of the state; 4) to be of good moral character; and 5) to pass an examination as to his knowledge of mining. Certificates of two grades are granted, that of the first grade to those who have had the experience which qualified them to serve in mines producing gas; and that of the second grade to those who have not had this experience and therefore can not be employed in such mines. In order to protect those serving as mine or fire bosses when the act was passed, it was provided that "certificates of service" should be granted to those who had been employed with the same company during the year preceding, with the proviso, however, that before they could take service with another company they should obtain a certificate of competency.

Illinois, Indiana, Alabama, Montana and Wyoming have followed the lead of Pennsylvania and have enacted almost identical provisions, the first two requiring in addition that all hoisting engineers must also be provided with certificates of competency.

As the prevention of accidents constitutes the most important purpose of mine regulation, it is evidently very desirable that accurate information should be obtained concerning the

frequency and causes of accidents, in order to determine the responsibility for such occurrences, and whether any progress in their prevention is being made. Every one of the 20 states possessing factory codes, with possibly one or two exceptions, requires that the mine owner or superintendent shall report to the inspector of mines every accident resulting in death or serious injury to an employee. It is further provided that in case of fatal accidents the coroner shall be notified and an inquiry held to determine the person at fault for its occurrence. The mine inspectors are also required to embody in their regular reports statements of all accidents occurring during the year. The information thus afforded is of great value, but unfortunately in no case does it approach anything like desirable detail. The term "serious injury" which occurs in all the acts is altogether too vague and uncertain. In order to be of the maximum value the report of each accident should show the cause of such accident, the extent of the injury caused, whether resulting in death, total or partial incapacity for labor, or temporary disability, the length of time so disabled, the age of the person injured, and whether the accident was due to the fault of the person injured, to another, or to an unavoidable cause. Whatever the information obtained, however, it is to be regretted that greater uniformity does not exist between the practice of reporting accidents in the different states. Improvement in the collection of statistics of accidents to miners is largely dependent on the mine inspectors of the different states adopting the same form of report for accidents.

We now turn to what may be called the keystone to the whole system of state regulation of mines—viz: the appointment of state officers or mine inspectors with the duty of personally supervising or controlling certain features in mining and seeing that the conditions required by the state are complied with. It has been the universal experience that labor legislation is of little utility unless some system of good government supervision is at the same time provided. In a

way, therefore, the measure of the efficiency of mine regulation is that of the efficiency of mine inspection.

Most of the mining states have recognized the necessity for government supervision, and 27 states have made some provision for the inspection of mines. The majority of these, viz: Arkansas, Idaho, Kansas, Kentucky, Maryland, Michigan, Missouri, Utah, Washington and Wyoming, have provided for only one inspector. In North Carolina and Tennessee, the commissioner of labor is the inspector. In New Jersey and New York, where there are no coal mines, the offices of inspector of factories and mines are combined. Maine, which also has no coal mines, has an inspector of factories, workshops and mines, but his duties seem to be of a purely statistical character. The United States statute provides that an inspector of mines shall be appointed by the president for each territory producing 1000 tons of coal yearly. Colorado, Indiana, Montana and West Virginia each has two inspectors; Alabama and Iowa each has three inspectors; Washington has a state geologist who acts as mine inspector, and has two assistant inspectors; Illinois has seven inspectors; Ohio has one chief inspector and seven district inspectors; and Pennsylvania has one inspector for each district containing not less than 60 nor more than 80 mines.

The duties of inspectors are generally stated to be to inspect all mines with specified frequency, yearly, semi-annually or quarterly, and to see that all the requirements of the law relating to mining are strictly complied with. In addition to these general duties, however, it is usual to specify that they shall keep an exact record of all inspections, and that they shall report annually or biennially, showing particularly the condition of the mining industry and the number of accidents. These reports therefore serve the double purpose of showing the results accomplished by inspection, and giving general statistics and other information concerning mines.

For the enforcement of mining laws, with their technical provisions, it is evident not only that a considerable technical

knowledge is required of the inspectors, but that no small degree of discretion must be left to them in the enforcement of the obligations which they impose. It is highly desirable, therefore, that competent and specially trained men should be secured for these positions. As the most certain way of accomplishing this, the practice is now becoming general for these officers to be selected only on satisfying certain requirements and passing a wholly or partly competitive examination.

The Pennsylvania system, therefore, provides for a board of examiners to be composed of two mining engineers and three other persons who have passed examinations as mine inspectors or mine foremen, to examine candidates for the position of inspector of mines. The examination must be in writing, with an oral examination concerning explosive gases and safety lamps. Candidates must be citizens of the state, of temperate habits, 30 years of age or over, with at least five years' experience in bituminous coal mining in the state, and an experience in mines generating fire-damp. The names of successful candidates are certified to the governor, who makes the appointments.

Illinois has a board of examiners composed of two practical miners, two coal operators and one mining engineer appointed by the bureau of labor statistics. The qualifications required of inspectors are about the same as in Pennsylvania. In Indiana the inspector is appointed by the state geologist after an examination, and an assistant inspector is appointed by the latter, also after an examination. Both must have had an experience of at least ten years in practical mining. In California the examining board is appointed by certain judges, and the inspectors must be 30 years of age and have had five years' mining experience. In Washington the board consists of three practical coal miners, three coal operators and a mining engineer, and the inspector must have two years' experience. Iowa has a board composed of two miners, two operators and a mining engineer, and the inspector must be 25 years of age with five years' experience. The other states

which do not possess mining boards usually specify that inspectors must be of a certain age, possess both a theoretic and practical knowledge of mining, and have had an experience in practical mine work for a certain number of years. In all cases it is provided that inspectors must not be financially interested in any mine in the state.

The last class of mining laws are in their nature quite distinct from those we have been considering. They have for their object the regulation of the relations between mine operators and their employees. The economic dependence of the miners has undoubtedly in some cases been taken advantage of in the past, and the miners defrauded or at least unjustly treated in a number of ways. The two greatest grievances of the miners have been that the employers have not given them credit for all the coal mined by them and that they have been compelled to trade at stores owned and conducted by the mine owners.

In itself the establishment by the companies of stores to supply the wants of their employees possesses nothing detrimental to the rights or liberties of the workingmen. On the other hand there is no reason why they should not serve a useful purpose. Unfortunately there can be little doubt that in many instances these stores have been used by companies as means of oppression. Miners were compelled to trade at the store conducted by their employers, and to insure their doing so they were frequently paid in scrip orders on the store instead of in money. A system of credit was at the same time practised which kept the workingman constantly in debt to the company, and as the wages were withheld to meet this indebtedness, employees would frequently go for long periods without receiving any money that they could dispose of as they saw fit. There was no check on the prices that could be charged for commodities. Any increase in wages could thus be made a fiction.

For a long time this "truck system" as it was called constituted one of the greatest sources of friction that existed

between the mine owners and their employees. The miners themselves did not possess sufficiently strong organizations to offer a successful resistance. Great pressure was therefore brought to bear on the legislatures of all the mining states to prohibit by law the system of company stores, and most of the states passed laws to this effect. This prohibition has taken two forms, either directly forbidding mining companies to own or control stores, or more often requiring that all wages shall be paid in money, or if paid in scrip that this scrip shall be redeemable on demand in money. At the same time the payment of wages as often as once every two weeks was made obligatory.

The constitutionality of these laws has been attacked in a great many instances, and many of them have been declared unconstitutional. In Pennsylvania, Illinois, Missouri and Tennessee they were declared void because they violated the liberty of contract guaranteed by the constitution. In Tennessee the curious ground was taken that such a law indirectly provided for imprisonment for debt, which was prohibited by the constitution. In Indiana, however, the law was upheld and New York avoided any constitutional objections by limiting the scope of the law to corporations. In spite of the fact that laws regulating the payment of wages have been declared void in so many states, the results desired have in great part been accomplished. This has been due, on the one hand, to the arousing of public opinion on the subject, and on the other, to the fact that employers are beginning to recognize more fully their obligations toward their employees.

As regards the second complaint, concerning the manner of determining the amount of coal mined by each miner, practically all of the 20 states under consideration have enacted laws the purpose of which is to insure that the coal is honestly weighed. There is little difference between the legislation of the several states. The typical method of regulation is to prescribe that at all mines there shall be provided suitable and accurate scales for weighing coal; that these scales should be

inspected periodically by mine inspectors or the miners themselves ; that the weighman must take oath to honestly perform his duties and keep an accurate record of the amount of coal weighed ; that these records shall be open to inspection and finally, as an additional precaution, that the miners shall have the right to employ a "check-weighman" who shall be permitted by the company to superintend the weighing of all coal, and thus control the work of the company's employee. In case such a check-weighman is employed he must also be sworn and must keep an accurate record of the coal weighed. Some states, as Maryland, Pennsylvania and West Virginia, also require that all cars be numbered, and their weight and capacity plainly marked on each one.

A few states, notably Illinois, Indiana, Iowa, Kansas, Missouri and Washington have exercised a more direct intervention and made it compulsory on all mine operators to weigh coal before it is screened. This law has been resisted by the mine operators, and in Illinois at least has been declared unconstitutional, because it is special legislation and deprives persons of the liberty of making their own contracts.

We have now passed in review the various ways in which the operations of mining have been subjected to special regulation by the states. Experience has amply demonstrated that this interference on the part of the government, and the formulation of regulations setting forth in detail the various precautions that must be taken, have been absolutely necessary for the protection of miners against accidents. The present degree of regulation has been the result of a gradual growth, and the goal has as yet been by no means reached. Pennsylvania, Illinois, Ohio, West Virginia and several other important coal mining states are now in possession of quite complete mining codes, but the majority of states have far from reached this standard. The latter have, however, the complete legislation of the former states as models, and not a year passes without additions and improvements to the mining laws of some of them.

To one looking over the whole field it seems that the most important step that can be taken is to extend the system already practised by a number of states insuring thorough examination, and to grant certificates to men competent to fill responsible positions. James Bryce, with his accustomed perspicuity has said that good men can make any political system work tolerably, but that no system however perfect will give satisfactory results unless in the hands of honest and capable persons. What is true of political machinery is equally true of industrial organization. Certainly it is desirable to have a good code of mining regulations, but it is more important still that capable men be secured to direct their application.



DEPARTMENT OF SOCIAL ECONOMY
FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



IX
REGULATION OF THE SWEATING
SYSTEM

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

THIS MONOGRAPH IS CONTRIBUTED TO THE UNITED STATES SOCIAL ECONOMY EXHIBIT
BY THE COMMONWEALTH OF MASSACHUSETTS

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THE SWEATING SYSTEM IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

Introduction. In every important industrial country, two movements looking toward the betterment of the material and economic condition of the laboring classes are constantly at work. The first looks toward the introduction of fundamental changes in the political organization or policy of the country; the second, to the improvement of the particular conditions under which workingmen are required to labor. The latter constitutes the field of practical reform. In this province each country and period has its particular problems which are of special urgency and importance. In the United States at the present time there can be no doubt that the one condition of labor most in need of improvement is that of the circumstances of the work surrounding what is called the sweating system.

It is remarkable that a term the general meaning of which is so well understood is so difficult of definition. This is due to the fact that the expression "sweating system" is used to designate not only a certain system of work, but certain conditions under which work is carried on. The first, however, is its only legitimate use. In this sense, the term "sweating system" denotes that system whereby certain classes of work are let out at certain rates to contractors, who in turn sublet them to subcontractors, or bosses or "sweaters," and these sweaters hire rooms and employ workingmen and women to do the work, usually paying them according to the amount of work performed. Though this is the meaning of the term, its real significance is due to the conditions under which the system is operated.

The essential characteristics of the sweating system as found in the United States are as follows: first, the workingmen do not obtain work directly from employers, but through contractors and subcontractors, and are thus "sweated" out of a part of the remuneration paid for the work; second, they are paid for their work by the piece, a system which enables the sweater to reduce the wages to a bare living wage, and makes the working of excessive hours almost inevitable; third, this system is possible only in trades where the work is of the lowest order, requiring but little technical skill, but little capital, and no expensive plant. Almost anyone can be a sweater. The competition between sweaters is therefore intense, and they are compelled to take work at the lowest possible rate. They in turn, therefore, use every device to get the work done as cheaply as they can. This can best be done under a piece system, leaving to the employees the determination of the number of hours that they will work; fourth, this system would be impossible but for the existence in the large cities of great numbers of newly arrived immigrants, chiefly Jews who, accustomed to the lowest standard of comfort, and ignorant of our language and customs, are willing or are forced to accept any kind of work; fifth, the sweating system has taken hold chiefly in the trade of making up ready made clothing, because men, women and children can be employed, and because very little skill or capital is required. Other industries in which the system exists to a less extent are the manufacture of tobacco and the making of feather and fur goods and artificial flowers. Finally it should be noticed that there are two distinct kinds of "sweating," that of the sweat shop proper, where the sweater lives in a room and has a number of men and women working under his direct oversight, and that of the home worker, where the head of a family takes work from a sweater, which he carries home to be completed by himself and family. It is this prevalence of home work that has made the sweating problem so difficult of solution. The finishing of garments is

usually done by women at their homes, where they are generally assisted by their whole family. Under normal conditions, working at home on some articles of manufacture is not in itself objectionable. Under the competition of the sweating system, however, wages are reduced so low that a woman even with the assistance of her children can hardly keep body and soul together.

This analysis of the characteristics of the sweating system shows the specific evils that should be abated and the measures of reform that should be striven for. They are 1) better work room accommodations as regards hygienic conditions, overcrowding, ventilation, lighting, etc.; 2) the prohibition of working in living rooms; 3) the abolition of the middleman or sweater as far as possible; 4) the abolition of piece work in favor of time work; 5) better wages; and 6) shorter hours. These are the measures of reform that it is desirable to bring about. How can they best be accomplished?

In all questions of social reform two forces may be appealed to—the state and the workingmen themselves. The appeal may be made to both of these forces or to only one. It becomes our most important duty therefore in the present case to determine to what extent improvement can be hoped for through the action of each of these forces. The categorical statement of the reforms desired as made above assists us greatly in our task. An examination shows that there are several which fall strictly within the duties of the state regarding the regulation of industrial work, while others are quite beyond the scope of its powers as usually interpreted.

The law can and should regulate the first two measures. It is distinctly within its power to compel employers to provide sanitary workrooms, to prevent overcrowding, and to prohibit or at least regulate the use of living rooms as workrooms. All this is but the application of principles that have already found expression in factory inspection laws. The securing of better wages to employees and of shorter hours, the substitution of time for piece work, and the elimination of the middle-

men or sweaters are, however, measures of reform that must be accomplished by the employees themselves. The state can assist in an indirect way in bringing about their objects, but the greater part of the work must be done by the men. Both the workmen themselves, then, and the state must cooperate in efforts for reform. Each has its special field of usefulness and means of action. It is the chief purpose of this paper to bring out the fact that both agencies must be appealed to, and to show the efforts that each has made to further the movement for reform. Before doing so, however, it will be well to give some idea of the extent of the system.

Although the sweating system exists in a number of occupations, it is the garment making industry (comprising men's clothing, ladies' cloak and suit, undergarment and shirt making branches) that has given it its real significance. The manufacture of clothing and cloaks at wholesale is the most concentrated of all the garment making branches, and is confined mainly to the following large cities in the order of their rank, viz, New York and vicinity (including Brooklyn and Newark), Chicago, Philadelphia, Rochester, Baltimore, Boston, Cincinnati, Syracuse, Cleveland, St Louis, Utica and Milwaukee. One hundred thousand people, in round numbers, are engaged in this industry in these cities, of whom fully 40,000 are in the vicinity of New York city. By including the shirt and undergarment branches there are at least 60,000 persons employed at garment making in New York and vicinity, and about 70 per cent of these work in small shops and on contract work. In the ladies' cloak and suit trade the seasons of work are short and work is usually rushed. The frequent interruptions caused by strikes in this branch have induced many of the wholesale firms to conduct large shops of their own. This is considered an improvement.

The clothing and cloak cutters and trimmers number about 8,000, and are credited with being the most intelligent and skilled workmen in the trade. They are employed directly by the firms and usually on the premises, and their condition is

in marked contrast with that of the other branches. The hours of labor are nine a day with the exception of a half holiday on Saturdays during five months. In Chicago, however, the hours of labor are eight a day. The standard wages are from \$15 to \$24 a week, but the usual rate is \$20 a week. This is an indication of the difference between direct employment and indirect contract work. When the latter is undertaken the middleman as contractor becomes a factor, and his profits must be taken from the wages. Of course, with subcontracting, wages must be reduced still more ; so the worker suffers at every appearance of the contractor or subcontractor.

In 1897 the officers of the immigration bureau stationed at New York made a manuscript report to the federal government upon the conditions surrounding the manufacture of clothing in that city. In this report, to which the writer had access, the following passage occurs :

The wages differ as widely as the number of the branches of the trade, but the aim is to give to each of the branches of the trade a price proportionate to the skill required therein. The operator who does the machine work is the most skilled and responsible and of course earns the most money. The baster is next in importance, and lastly the finisher. The nominal wages of these three branches are respectively \$15, \$12 and \$7 (the finishers are all women) a week, but under the greatest strain the most skilful employee cannot possibly perform a week's task in less than eight days' time. Indeed it often requires nine days' time of from 12 to 14 hours each to perform a week's task. The large number of individual cases which we have investigated compels us to believe that the average earnings of the most skilled do not exceed \$10 a week of 72 hours. The rent and living expenses are comparatively heavy, rendering it impossible for the great majority of these people to keep out of debt.

Legislation. At the present time eight states, Massachusetts, Ohio, New Jersey, Illinois, Pennsylvania, New York, Indiana and Maryland have enacted special legislation in relation to the sweating system. These states include the great cities of New York, Brooklyn, Jersey City, Boston, Philadelphia, Baltimore, Chicago, Indianapolis and Cincinnati, or practically all of the chief centers of the sweating system.

Massachusetts, always the pioneer in social legislation, was the first state to awake to the necessity of taking action for the lessening of the evils of the sweating system. In 1890 the Governor ordered an investigation of the sweating system in the state. The result of this inquiry was to show such a condition of affairs that immediately on its report a law bearing date May 28, 1891 was passed, having for its purpose the regulation of the system. This act provided that any place in which clothing was manufactured by other than the immediate members of a family should be considered a factory and therefore subject to all the rules and regulations embodied in the factory inspection acts. The proprietor of every such shop was required to notify the inspection department that he was carrying on such work, and two extra inspectors were provided for with the special duty of inspecting these places. It was further provided that all clothing made under these conditions should bear a label showing the name of the state and city in which it was made. This provision was directed against the tenement made goods imported into the state from New York.

The enforcement of this law was productive of good results, but experience showed that it could be improved in a number of respects. The law was therefore amended in 1892, 1894 and again in 1898. The chief change introduced was that whereby work performed by single families was brought under legal regulation. As the law as it now stands is typical of the legislation in other states its provisions are reproduced verbatim:

No room in any tenement or dwelling house shall be used for the purpose of making, altering, repairing or finishing therein any coats, vests, trousers or wearing apparel of any description whatsoever, except by the members of the family dwelling therein, and any family desiring to do the work of making, altering, repairing or finishing any coats, vests, trousers or wearing apparel of any description whatsoever in any room or apartment in any tenement or dwelling house shall first procure a license, approved by the chief of the district police, to do such work as aforesaid. A license may be applied for by and issued to any one member of any family

to do such work. No person, partnership or corporation, shall hire, employ, or contract with any member of a family not holding a license therefor, to make, alter, repair or finish any garments or articles of wearing apparel as aforesaid, in any room or apartment in any tenement or dwelling house as aforesaid. Every room or apartment in which any garments or articles of wearing apparel are made, altered, repaired or finished, shall be kept in a cleanly condition and shall be subject to the inspection and examination of the inspectors of the district police for the purpose of ascertaining whether said garments or articles of wearing apparel or any part or parts thereof are clean and free from vermin and every matter of an infectious or contagious nature. A room or apartment in any tenement or dwelling house which is not used for sleeping or living purposes, and which is not connected with any room or apartment used for living or sleeping purposes, and which has a separate or distinct entrance from the outside, shall not be subject to the provisions of this act. Nor shall anything in this act be so construed as to prevent the employment of a tailor or seamstress by any person or family for the making of wearing apparel for such person's or family's use.

If said inspector finds evidence of infectious disease present in any workshop or in any room or apartment in any tenement or dwelling house in which any garments or articles of wearing apparel are made, altered or repaired, or in goods manufactured or in the process of manufacture therein, he shall report the same to the chief of the district police, who shall then notify the local board of health to examine said workshop or any room or apartment in any tenement or dwelling house in which any garments or articles of wearing apparel are made, altered or repaired, and the materials used therein; and if the said board shall find said workshop or tenement or dwelling house in an unhealthy condition, or the clothing and materials used therein unfit for use, said board shall issue such order or orders as the public safety may require.

Whenever it is reported to said inspector, or to the chief of the district police, or to the state board of health, or to either of them, that ready made coats, vests, trousers, overcoats or other garments are being shipped to this commonwealth, having previously been manufactured in whole or in part under unhealthy conditions, said inspector shall examine said goods and the condition of their manufacture, and if upon such examination said goods or any of them are found to contain vermin or to have been made in improper places, or under unhealthy conditions, he shall make report thereof to the state board of health, which board shall therefore make such order or orders as the public safety may require.

Whoever sells or exposes for sale any coats, vests, trousers or any wearing apparel of any description whatsoever which have been made in a tenement or dwelling house in which the family

dwelling therein has not procured a license, as specified in section 44 of this act, shall have affixed to each of said garments a tag or label not less than two inches in length and one inch in width, upon which shall be legibly printed or written the words "tenement made" and the name of the state and the town or city where said garment or garments were made.

No person shall sell or expose for sale any of said garments without a tag or label as aforesaid affixed thereto, nor sell or expose for sale any of said garments with a false or fraudulent label, nor willfully remove, alter or destroy any such tag or label, upon any of said garments when exposed for sale.

Whoever violates any of the provisions of this act relating to the manufacture and sale of clothing made in unhealthy places shall be punished by a fine not exceeding \$200 or by imprisonment in the county jail not exceeding six months.

An examination of this law, and the laws of the other states are very similar, shows the way in which the government has attempted to control the evils of the sweating system. It will be noticed in the first place that a clear distinction is made between tenement *shop* work and tenement *family* work. It is rightly felt that the right of a family to do as it pleases with its rooms as regards working in sleeping rooms shall not be interfered with. The law therefore declares that all places in which clothing is manufactured other than by the members of the same family shall be a factory and must correspond to factory regulations as regards sanitation, lighting, etc. Work in private families, however, is subjected to regulation by the provisions that they must first obtain a license or permit from the chief factory inspector, which license will not be granted unless their rooms are in a cleanly condition.

Great prominence, it will be observed, is given to the idea of considering this question from the standpoint of the public health. In many respects the most important feature of the act is that requiring goods made in tenement houses, that is, in houses used also as sleeping places, to be plainly marked "tenement made." The purpose of this is evident. No one desires to purchase clothing that he knows has been made in dirty, unhealthy tenements. It is believed, therefore, that the enforcement of this provision will compel manufacturers to see

that their garments are made under other conditions. The additional requirement that they shall be marked with the name of the state and city in which they were made is directed against New York tenement made goods being sold in the state. It is important to observe that every effort is made to hold not only the sweater and the family responsible for the observance of this law, but the manufacturers and merchants as well. Experience has shown that it is exceedingly difficult to prosecute the former, while the latter can be easily reached. The latter, moreover, are really the responsible parties.

In New York the factory inspector first called specific attention to the need of regulating the sweating system in his report for 1888. In 1891 special attention was again given to the subject. The result was the passage of the law of May 18, 1892. This law was very materially amended and strengthened in the following year and again in 1896, 1897 and 1899. The law as it now stands, while following the general scheme of the Massachusetts law, differs from it in several important particulars. The purport of these differences is to make the regulation of the sweating system still more rigid and effective.

In the first place, the law relates to not only the manufacture of wearing apparel of all kinds, but of cigars, cigarettes, artificial flowers, feathers, purses, furs, hats, caps, suspenders, etc. The manufacture of these articles is absolutely prohibited in any tenement or dwelling house, or in any rear building in the rear of a tenement or dwelling house, whether itself used as a dwelling or not, unless a permit from the factory inspector has been obtained, and this permit must state the maximum number of persons that can be employed. A matter of great importance is that whereby the law requires every person or firm giving out work to be done, to keep a record open for inspection of the names and addresses of all persons to whom the work is given to be made. The manufacturers can no longer say that they do not know who does their work or under what conditions it is performed, as that is

a matter belonging to the contractor. The tag or label "tenement made" must be affixed to all articles found by the factory inspectors to have been made under conditions violating the provisions of this act.

The amendment of 1896 introduced the very important provision making the owner of any property responsible for its use in violation of this law, as well as the contractors or sweaters. No fact has been more clearly demonstrated than that in order to carry out the purposes of the legislature it is necessary to make all the parties concerned responsible.

In Pennsylvania the factory inspector first called attention to the sweating system in his report for 1892. In 1894 a special investigation of the system in Philadelphia was undertaken by one of the factory inspectors. The result of this inquiry was the passage of the law of 1895 which was afterwards replaced by a new law enacted in 1897. This law follows closely the New York law except that it does not include any provision regarding the tagging of goods with the mark "tenement made." Eight additional factory inspectors were provided for, with the special duty of enforcing the new law.

Chicago, in Illinois, developed the sweating system in its worst form. The investigations of the factory inspector showed that while there were but 18 factories manufacturing clothing in 1895 employing 1421 persons, there were 1715 contractors or sweating shops with 14,902 employees. This number was a rapid increase over former years, as in 1894 there were but 1413 shops with 11,102 employees, and in 1893 but 704 shops with 61,823 employees. A law directed against the sweating system was enacted in 1893, but, as the figures show, has by no means lessened or even prevented the growth of sweating. The law prohibits the use of living rooms in a tenement house for the purpose of the manufacture of certain articles, except by the immediate members of a family, but does not prohibit the keeping of a workshop in a tenement house. The law also fails to include in the list of

articles to which it relates a number of important articles. The wholesaler giving out the work is required to keep a list of the persons to whom work is given, but he is not in any way responsible if the goods are made under the sweating system. The inefficiency of the law is chiefly due to the fact that responsibility is placed on the contractor or sweater instead of the wholesaler, who can more easily be reached by the law.

In Ohio the inspector of factories in his report for 1892 called attention to the sweating system and urged legislation similar to that of Massachusetts and New York. A sweating law, however, was not enacted till April 27, 1896. This law is apparently a very efficient law. It provides that no dwelling or building, or any room connected with any tenement or dwelling shall be used, except by the immediate members of the family living therein, for the manufacture of clothing, cigars or cigarettes unless it corresponds to certain conditions set forth in the act. These conditions are that any rooms so used shall be regarded as a factory, and then subject to inspection, shall be separate from and have no door, window or other opening into any living or sleeping room, and shall not itself be used as a living or sleeping room; it shall not even contain beds, bedding or cooking utensils. It must have a separate entrance of its own, be well ventilated and lighted, have separate water closets for the two sexes, and must furnish at least 250 cubic feet of air space in the day time and 400 cubic feet at night for each person employed.

No manufacturer shall give out work to any one after the inspector of factories has notified him that the latter has not complied with the conditions of the act, and each such manufacturer is required to keep a record of the names and addresses of all persons to whom work is given.

New Jersey by an act passed March 17, 1893 prohibited the manufacture of clothing and tobacco goods in any room in a dwelling house except by the immediate members of the family occupying it; and forbade manufacturers giving out work to be done in a tenement or dwelling house by private

families unless the latter were provided with a permit granted by the inspector of factories. The law, however, is very ineffective owing to inadequate penalties, the failure definitely to fix responsibility and inadequate number of inspectors to enforce its provisions.

Indiana in 1897 provided an important general factory act. Among its provisions were a number directed specially against the sweating system. They are in general similar to the laws of the other states on this subject.

Maryland has a single one clause act passed April 14, 1896 which makes it a misdemeanor to cause clothing or any other articles to be made in a place or under circumstances involving danger to the public health. The general way in which this act is worded and the absence of a specific statement of conditions to be avoided makes this law absolutely worthless.

The essential principles of this legislation directed against the sweating system are easily apparent. The first effort was to bring all the small shops in which clothing was manufactured under the general factory laws, and thus subject them to a rigorous inspection as regards their sanitation, heating, lighting, etc. The second was to absolutely prohibit the location of such shops in buildings occupied as dwellings or tenements, and thus insure that the same rooms should not be used as both working and sleeping or living rooms. The third was to give the inspectors the right to forbid the manufacture of clothing under unhealthy conditions, or conditions likely to spread disease. Finally to enforce these regulations an extra force of inspectors have in almost all cases been provided.

These regulations, it will be observed, relate only to shops proper, that is, to places where an employer has under him employees. It would manifestly work a great hardship to forbid families taking in work. It therefore became necessary to specially exempt work performed by a family without any outside assistance. Families, therefore, as such, can manufacture clothing in tenements and dwellings. But it is just with

this class of labor that the worst features of the sweating system are found. The law, therefore, while permitting them to work requires them to obtain a permit from the factory inspector to do such work, and this permit is only granted after the inspector has by an examination of the premises satisfied himself that they are in a clean and hygienic condition.

The only direct attack on the sweating system is that requiring tenement made goods to be marked "tenement made."

The first attempts at legislation were all defective in one vital particular. The prohibitions were all directed against and the penalties imposed on the petty sweater or the family. Experience soon showed that unless an army of inspectors was employed, it was impossible to ferret out the thousands of small shops located in cellars, attics and back buildings of tenement houses. In most of the states, therefore, amendments were enacted placing the responsibility on the wholesale manufacturer and on the merchant. These were no longer allowed to shelter themselves behind the statement that they gave out the work to contractors and did not know where or under what conditions it was made up. Thenceforth they were required to keep a record of the names and addresses of all parties to whom work was given, and if the inspectors found that the latter were not complying with the conditions of the law he could notify the manufacturer and forbid him allowing any more of his work to be done there. In the same way the merchant was prohibited from offering for sale any goods made contrary to law.

As regards the practical results achieved by this legislation there can be no doubt that a great deal of good has been accomplished in the way of improving the conditions under which government workers ply their trade. The inspector of factories of Massachusetts in his report for 1893 said: "the present law in Massachusetts has abolished all tenement house workshops wherein were employed others than members

of the same family dwelling therein, and it stands as a bulwark against the future introduction of them, thereby preventing the spread of disease that these dirty tenement house workshops were very likely to breed. The only tenement house employment that remains in the state is confined to private families engaged principally in the finishing of trousers, and in 95 out of every 100 of these families the work is done by only one member of the family, usually the wife and mother. These houses are regulated by the agency of a license which they are obliged to procure in order to obtain work."

In the same year, the inspector of factories of New York reported that "under its (sweating laws) provisions we have been enabled to wipe out the worst places where clothing was manufactured and to cause a vast improvement in nearly every sweating shop in the city of New York. One thing has been demonstrated satisfactorily so far by the enforcement of the law regulating the manufacture of clothing, and that is, that the dirt and overcrowding which were once the almost invariable attendants of the sweating evil can be practically wiped out." The report further indicates that 59 modern, well-appointed factory buildings were erected during the preceding year on sites formerly occupied by tenements. These buildings were built expressly to accommodate the clothing trade under the new conditions. They are from five to eight stories high, contain 483 separate shops, and have legal space for 15,477 workpeople. Eighty five other tenement buildings were also remodeled and made into shop buildings, their use for domestic purposes being then stopped entirely. During the year 17,147 persons employed in the clothing trade were thus required to leave tenement and dwelling houses and locate in regular shops for the performance of their work.

The reports of the other states are similar in character. They all show that as far as the size of the factory inspection force permits, the purely physical conditions under which garment workers are employed can be materially improved.

Efforts of the workingmen. In the foregoing account of the character and results of legislation concerning the manufacture of clothing and certain other commodities, it will be seen that the efforts of the states have been almost wholly directed to improving the conditions of the premises in which the work is carried on. In no case has the state attempted to interfere and say what sort of a contract an employer should make with his employees, whether time work should be substituted for piece work, or to regulate the wages or hours of labor of employees, except as already fixed by laws directed against the employment of women and children. The sweating system with its piece work system, long hours and small wages thus remains and must continue to remain untouched by state laws. To attempt to regulate them by law would involve a departure from the established policy of the government not to interfere with the liberty of individuals to make such contracts as they please, and in the case of most if not all of the states would undoubtedly be declared unconstitutional as violating the principle by which the liberty of contracting is guaranteed to every individual. These are features, therefore, which, as has been intimated before, must be improved by the workingmen themselves.

Thus the inspector of factories of Massachusetts in a recent report says: "I wish to state that thus far through the enforcement of legislative enactment, the condition under which clothing was formerly manufactured has been greatly improved, yet no apparent financial benefit has accrued to the victims of the system, and I am firmly convinced that no legislation can ever be enacted to otherwise regulate it." The New York factory inspector is of like opinion, for in his report for 1895 he says: "it must be said, notwithstanding the improvement noted, that the sweat shop evil has not been eradicated. Only the surface conditions have been bettered. The long hours, small wages, with a constant tendency to lengthen the former and reduce the latter, still continue, and will always be a part of the clothing industry in this country while the law permits the contractors to farm out the clothing to families and pit one family against another."

Fortunately, under these circumstances, the garment workers themselves have realized that if the economic condition is to be improved they must themselves organize and fight for better terms. At first glance it would seem to be almost impossible to conceive of more unfavorable conditions for attempting such a struggle; a trade in which women and children are largely employed, the workmen and women scattered through the city in innumerable small shops, for the most part foreigners unable to speak the English language and often not even the German language, without previous experience in organization and absolutely without financial resources. That such a body of men and women under such circumstances could unite and fight determined and often successful contests is one of the greatest demonstrations of the possibility of all classes of labor under free legal institutions to unite for mutual protection that has ever been made.

This fight may be said to have begun about the year 1891. In giving its early history we can not do better than reproduce the account given by Henry White, the very able general secretary of the United garment workers of America during most of this period, in his notable article on the "sweating system" in the fourth number of the *bulletin* of the Department of labor, 1896.

While the community was enacting measures for the alleviation of the misery due to the sweat shop, and was seeking its suppression as a public menace, the operatives themselves, whose poverty seemed to have sapped their courage and mentality, became aroused, and after a strike lasting three weeks abolished the worst features of the sweating evil. This strike was akin to a revolution in its suddenness and its sweep. It began in New York, Brooklyn and Newark in September 1894, and was continued in Boston and Baltimore. Similar disputes, with varying success, occurred in Philadelphia, Rochester, Chicago and St Louis.

Prior to this movement, organization among the tailors existed and large strikes took place, but all of a spasmodic nature. Some of these contests were announced as victories, but the unions were unable to maintain the advantages gained, and suffered a relapse. But the rebellious spirit was only dormant, waiting favorable opportunities.

In April 1891, in New York city, the foundation for a successful movement was laid through the formation of a national union comprising all branches of the industry, known as the United garment workers of America. The clothing cutters, who had a long trade union experience, and were more favorably circumstanced, identified themselves with this national movement, took an active interest, and thus gave permanency to the organization.

A vigorous agitation was begun for the abolition of the sweating system, but met with no immediate visible results. The industrial prostration of 1893 and 1894 set in, and during that period the tailors were reduced to a condition bordering on pauperism. Special relief works were started in the large clothing cities to prevent actual starvation. The task system sets no limitation, however, and the tasks were so increased that the amount of work exacted from the few employed further deprived others of work. When the revival in trade came, in August and September 1894, the tailors had learned to exist somehow without the task. The unions, which acted as relief bureaus during the depression, issued a manifesto for the overthrow of the task system and ordered a general strike. About 16,000 coat makers in 950 shops in New York, Brooklyn and Newark responded. The competing contractors, who were used by the manufacturers as implements to increase the daily tasks, formed an association, but granted the demands and signed individual agreements with the unions after the third week. The terms granted provided for weekly work on a basis of ten hours per day; a minimum rate of wages of from \$9 to \$15 per week, according to the branch of work; no overtime to be permitted, and the employment of members of the union. So fearful were the now emancipated operatives that the task system would be again returned, that every contractor was obliged to furnish a real estate bond as security that all the terms of the agreement would be lived up to. The legal standing of the agreements and bonds obtained are now under consideration by the higher courts of New York through several test cases brought against employers for violation of agreement.

The improvements made through these strikes can not be solely estimated by the great material gain. Hope and ambition have taken the place of the characteristic supineness of the clothing operatives. Since the first strike the agreements were renewed with additions, through another struggle the following year, and a few months ago the organized contractors caused a lockout which was successfully resisted. The other branches of the tailoring trade, although still working under the piece work system, accomplished corresponding results. It is estimated that 40,000 tailors, about 70 per cent of the total number affected by the sweating system in the different cities, are working in shops conducted under similar conditions, and in Boston the work day is but nine hours. The

hours of labor have been thus shortened by from two to five hours per day, and this has had the noticeable effect of prolonging the working seasons and giving steadier employment. A number of small contractors were obliged to give up their shops, owing to the refusal of the unions to make terms with them. It is remarkable that the wholesale manufacturing trade has not suffered through the increased cost of production because of the uniformity of the increase, and the manufacturers have now expressed themselves favorably to the change, which has removed much of the odium from the trade and raised the method of manufacturing to a higher plane. There are still many small shops hidden away in the teeming tenements in which the sweating system exists, and these are most difficult to reach, but the improved conditions obtained in the trade naturally have made an impression even there. While the state factory laws prohibit manufacturing in rooms not separate from living apartments, work still can be done by a family in the homes as long as outside help is not employed. While this is very detrimental still it is limited.

It is specially worthy of note that the marked improvement made in the condition of the clothing workers during the past two years has been accomplished notwithstanding the comparative depression existing, the trade not having fully recovered from the general industrial prostration which was at its worst between two and three years ago. The number of unemployed in the trade has usually been large. There was an improvement about a year ago, but a relapse has taken place recently which has enabled the manufacturers to make encroachments upon the standard rates of wages, hours of labor, etc., established and maintained by the unions. This caused a very dissatisfied and restless spirit. The clothing manufacturers in the different cities formed associations to oppose the unions. This led to the recent large general strikes in Baltimore, Chicago and Cincinnati which began at the end of February of this year and involved about 11,000 persons, including all branches of the trade, both cutters and tailors, of which number 7400 were in Chicago, 3300 in Baltimore and 300 in Cincinnati. The manufacturers in these three important clothing cities acted concertedly and the contests were stubborn and prolonged. The manufacturers naturally held the advantage, owing to the extreme dullness in the trade.

The trouble originated with the cutters in each city. In Baltimore the tailors stopped work mainly in support of the cutters, who demanded recognition and the usual minimum rate of wages. The strike was abandoned after five weeks. In Cincinnati the cutters' union ordered a strike in the shop of one firm and the other manufacturers resented by locking out all the others. The unions thereupon declared for the eight hour work day. After seven weeks the cutters returned to work individually, after the

manufacturers rescinded the resolution not to employ members of the union.

In Chicago the manufacturers' association precipitated the conflict with the cutters' union by declaring for the "merit system" instead of the minimum rate of wages, and the nine hour work day in place of the eight hours observed for three years. The tailors also made issue with the contractors, were partially successful, and in shops employing about 2300 persons enforced the ten hour work day and minimum rate of wages in place of the "task" system. Ten firms, employing about 100 cutters out of 900 in the city, conceded the terms of the union, and at the end of the eighth week the others returned to work under the conditions stipulated by the employers.

While the results of these contests which involved so many persons are most unfavorable to the employee, this fact signifies only a check to the many gains that have been made. The sweating system is being grappled with in all earnestness, and all facts plainly show that this detrimental system of labor is steadily being suppressed, both in this and in other countries.

Another factor in the warfare waged against the sweating system is the influence of the public as purchasers. Quite a large number of manufacturers have been obliged to withdraw work sent to the sweating contractors, through the systematic appeals made by unions of the trade upon members of other unions and sympathizers to withhold patronage from dealers handling or keeping such goods on sale. Usually a retail clothier would cease dealing with an objectionable manufacturer rather than incur the opposition of patrons. In line with this method the union label has been of service. It is designed to enable sympathizers to distinguish and give preference to goods guaranteed to be made under union, fair and sanitary conditions. A number of large manufacturers have adopted this label, which has been actively agitated for during the past three years.

Mr White closed his record in the early part of 1896. In that year the clothing workers were again forced to inaugurate an extensive strike in New York city and elsewhere, as the contractors had gradually reintroduced all of the bad features which they had struggled against in previous years. The strike was solely caused by the contractors failing to live up to their agreements. The strike was inaugurated the latter part of July by the Brotherhood of tailors, but was soon joined by other organizations affiliated with the United garment workers' association. After a short fight the workmen were again, as in the past, successful. The garment workers seemed to

show the ability to conduct a successful strike. The difficulty lies in their securing the permanency of the conditions for which they fought. *The garment worker*, the official organ of the United garment workers of America, commenting on this strike in its issue for September 1896, shows clearly the difficulties confronting the workingmen, and the means by which it was hoped that they could be overcome. It says:

The Brotherhood of tailors of New York and Brooklyn has won another important battle against the sweating system. It seems that these struggles are revolutions rather than what is ordinarily meant by a strike. They represent a general uprising in which the unions assume a leadership and become the authority for many thousands of sweat shop workers. It is precisely this lack of proper discipline and organization that makes these frequent disturbances necessary. The organized or individual contractors as the case may be are compelled to sign an agreement in which a minimum rate of wages ranging from \$9 to \$15 per week of 59 hours is stipulated. Bonds are given liable to forfeiture should the contractor violate the agreement. For a month or so after the strike everything works as per arrangement. Then the members become indifferent to their obligations to the union. Shop rules are broken and in a very brief time, with the tacit consent of the operatives because of their willingness to work, the former conditions gradually are reintroduced. The downward tendency is then rapid. The contractors in their eagerness to obtain work cut prices and the only alternative is another general stoppage of work. Sometimes the contractors during a dull period will vary the monotony by locking out their operators in their haste to be rid of all interference by the unions, or else to force an objectionable alliance. In every contest the contractors have been beaten, but a strike for a few weeks entails little loss to them as well as the employees. Consequently these bonds were insisted upon and were regarded in the last two strikes as the means of maintaining peace. When in the case of violation of agreement, a test case was made against a contractor it resulted in a legal entanglement in which the favorable decision of one court was reversed by another. The bonds were thus of very doubtful value and the agreements were violated with impunity. In this last strike it was therefore decided to exact a cash security instead in the shape of a promissory note payable upon demand to a named member of the joint executive board. As the average note amounted to \$100 this undertaking was considered almost impossible of success. But gradually and steadily one contractor after another produced the necessary security, till, in the course of five weeks, a large majority of the con-

tractors in New York, Brooklyn and Brownsville made a settlement. With the remainder the issue is still made and through influence brought to bear upon the wholesale firms the number of shops in which the union rules are not observed is gradually diminishing.

This time it is hoped to maintain the union strength throughout the year in the slack as well as in the busy season and to steadily improve upon the conditions already wrested from the wholesale firms through their subservient tools, the contractors.

The Brotherhood of tailors has decided to declare the securities given by three contractors forfeited, amounting to \$300. The contractors have decided to sue for their recovery; but this time it is the contractor who must go to court.

In spite of these precautions the unions were unable to maintain the advantages they had gained, and we read in the general secretary's report of the convention of the United garment workers held in August 1897, that

the tailors' unions in New York and vicinity although able successfully to cope with the contractors succumbed to the dull times. Their condition became so intolerable that another general strike took place in September 1896 which was won in three weeks. The tailors afterward again deserted their unions and the sweating system in all its worst features was restored. In May 1897, the coat makers rallied again and after a most determined strike lasting two months brought the contractors to terms. The problem confronting the tailors is evidently not how to win a strike but rather the method of holding on to the fruits of victory. The unions of tailors have been shown that they are the weakest during times of peace.

This is the condition of affairs at the present time. It is to be regretted that it can not be reported that the men have been able to form strong and permanent organizations, able to demand from the contractors suitable conditions and to maintain them. Their efforts, however, have not been in vain. The men are learning the necessity for common action. At least temporary benefits are gained, and there can be no doubt that in the future some method will be devised by which the men can permanently maintain their demands for reasonable hours of labor and a fair rate of wages. At present, however, their policy is evidently that of constant warfare to maintain their rights. In doing so they have the strength coming from the knowledge that they have the support of the community in which they live.



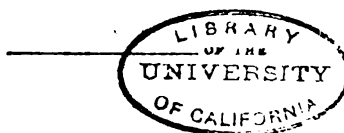
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FOR THE
UNITED STATES COMMISSION TO THE PARIS EXPOSITION OF 1900

MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



X

INDUSTRIAL ARBITRATION AND
CONCILIATION

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

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EDITOR
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ASSOCIATE EDITOR
RICHARD WATERMAN JR



X

INDUSTRIAL ARBITRATION AND
CONCILIATION

BY
WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

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INDUSTRIAL ARBITRATION AND CONCILIATION IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

It is not surprising that the great losses and derangements of industry caused by strikes have led men to seek for some way by which industrial disputes could be avoided, either by means of conciliation, or where this fails, by some method of arbitration.

All of the earlier efforts were of the character of purely voluntary action. For the most part they originated with the workingmen, who sought to have the employers recognize their unions as representing the workingmen, and to unite with these bodies in the constitution of a joint board to which differences as they arose should be referred for settlement. The best record that exists of such efforts in a particular trade is that given by T. A. Carroll concerning "Conciliation and arbitration in the boot and shoe industry," published in the Bulletin of the department of labor, January 1897. The account there given is typical of the industries generally.

While more or less good has resulted from these efforts, it is sufficient to refer to the record of strikes to see that they have far from abolished industrial disputes. The greatest difficulty in the way of their successful operation is that the workingmen have not yet established sufficiently strong and stable organizations, and that employers have not yet reached the position where they appreciate that organization on the part of the workingmen is natural and inevitable, and are willing frankly to recognize such organizations as duly constituted representatives of these working classes. As Mr Carroll says in the conclusion of his article, it is only when the employers and employees are thoroughly organized that the best results of

arbitration can be reached. It is thus more than probable that the development of labor organizations means industrial peace rather than more strenuous warfare.

The efforts made in the iron trade for the adjustment of labor difficulties deserves special mention, as they resulted in the formation of a scheme for determining wages that is largely peculiar to that trade. This scheme is what is known as the sliding-wage scale. The origin of the system is thus given by Carroll D. Wright in his report as commissioner of the Massachusetts bureau of labor statistics:¹

In April 1858 a few of the men connected with the puddling department of the mills of Pennsylvania assembled and organized a trade union under the name of "United sons of Vulcan." The growth of the organization was slow at first but it soon showed signs of life, and in 1863 its power began to be felt and the union to be recognized. The great fluctuation of iron during the war of 1860 to 1865 led to repeated demands for increase in wages. Finally a general conference of men from each side, employer and employed, suggested itself, through which wages were to be fixed and difficulties decided, while its actions and conclusions would bind all. The fluctuations requiring repeated conferences began to develop the propriety as well as the necessity of agreeing on some general plan which would obviate frequent meetings and yet fix wages in accordance with the price of iron. With that end in view committees of conference were appointed, and after repeated meetings finally agreed on February 10, 1865, on a scale of prices to be paid for boiling pig iron based on the manufacturers' card of prices. Thus was formed the first example of a sliding-wage scale in the United States.

Though the operation of this particular scale was of short duration the principle was never abandoned, and has continued in the iron industry to the present time. In 1876 the various classes of iron workers united to form the "Amalgamated association of iron, steel and tin workers of the United States,"

1) 12th annual report, 1881.

and it is this organization which now meets the manufacturers and agrees upon a scale of wages according to the price of iron.

The success achieved in this industry by the constitution of a joint board of employers and employees to fix wage conditions led to the hope that the principle might be extended to other industries. Experience, however, has demonstrated that its success in the iron industry is largely due to the conditions of the trade and the intimate relation between the price of iron and the cost of production and, therefore, the ability of the employer to pay higher or lower wages. Important efforts along the same line were made in another industry, that of coal mining, but as yet no very satisfactory or permanent system of a sliding-wage scale has been devised.

In addition to the examples of voluntary arbitration that have been mentioned, the parties to a dispute frequently decide to refer the matter to some one or more persons to act as arbitrators. Where such action is taken the decision is usually abided by. At the present time this is particularly true of the building trades, and in a number of cases permanent committees of arbitration have been constituted, which within their limited sphere have been very productive of good results.

From the subject of private initiative in the arbitration and conciliation of labor disputes, we now turn to the consideration of the action on the part of the state in this direction. The power to enact legislation in relation to the settlement of labor difficulties lies entirely within the domain of the individual states, with the single exception that the control of the federal government over interstate commerce gives it power to enact legislation in relation to labor disputes affecting transportation companies engaged in such work.

For all practical purposes, the year 1886 marks the beginning of modern legislation on the part of the state for the arbitration or conciliation of strikes. Prior to that date New Jersey in 1860, Pennsylvania in 1883 and Ohio in 1885 had, to be sure, passed laws in relation to this subject, but their

provisions were of little importance, merely granting permission to employers and employees to settle their disputes through arbitration, a right which they really possessed without such legislation.

In 1886, however, a radical departure from the character of this legislation was made. In that year Massachusetts and New York each passed a law providing for the creation of a permanent state board of arbitration and conciliation to which industrial disputes might be referred for settlement. The lead of these two states was quickly followed, and at the present time there are 24 states¹ with legislation in relation to the arbitration and conciliation of labor disputes upon their statute books.

It is manifestly impracticable within the limits of this monograph to attempt a statement of the character of the legislation of each of these states. Of the 24 states mentioned but 16² make provision for a permanent state board of arbitration, and in but four or five of these has any effective system been inaugurated in virtue of these laws. The laws of the remaining states for the most part only provide that when the parties desire or petition for it, local or temporary tribunals can be created for the arbitration of their disputes.

The Missouri law provides that when differences arise between employers and employees threatening to result or resulting in a strike or lockout, it shall be the duty of the commissioner of labor to mediate between the parties to the controversy, if either party requests his intervention, and under certain circumstances to form local boards of arbitration. Similar powers are conferred on the commissioner of labor statistics of the state of North Dakota.

The laws of Pennsylvania, Iowa, Kansas, Maryland and Texas simply authorize the law courts to appoint tribunals of voluntary arbitration when the parties to labor disputes petition

1) Massachusetts, New York, Montana, Michigan, California, New Jersey, Ohio, Louisiana, Wisconsin, Minnesota, Connecticut, Illinois, Maryland, Utah, Indiana, Idaho, Colorado, Wyoming, Kansas, Iowa, Pennsylvania, Texas, Missouri and Nebraska.

2) Massachusetts, New York, New Jersey, Ohio, Connecticut, Illinois, Montana, Michigan, California, Louisiana, Wisconsin, Minnesota, Utah, Indiana, Idaho and Colorado.

for or consent to their appointment, the jurisdiction of such tribunals being limited to the county or portion of the state in which the dispute may arise.

These laws merit but little attention. The parties to such controversies have rarely if ever availed themselves of the provisions of the laws in the states where there are no regularly constituted boards of arbitration.

As regards the legislation of many of the states providing for permanent boards, the same statement can be made. In some of these states no boards have ever been constituted in virtue of the law, and in others but insignificant results have been accomplished by the boards after they have been organized. From every point of view, the systems created by the states of Massachusetts and New York are the most worthy of study. They were the first created and have now had an uninterrupted existence of 13 years or more, and the work done by them is far in excess of that done by all the other boards combined. The systems created in both states are very similar. The following is a brief statement of the essential features of the Massachusetts law :

A state board of conciliation and arbitration is created to consist of three persons appointed by the governor of the state. One of these persons must be an employer selected from some association representing employers of labor, one not an employer and selected from some labor organization, and the third to be selected by the two. Their term of office is three years, one retiring each year, and their salary \$2000 each a year.

The usual method of bringing controversies before the board is as follows : Whenever any dispute arises between an employer of 25 or more persons on the one side and his employees on the other, either party can make application to the board for its intervention. These applications must be signed by the employer or a majority of the employees in the department of business in which the difference exists, or by their duly authorized agent. On the receipt of this application the board must as soon as possible visit the establishment, make a

careful inquiry concerning the cause of the dispute, and make a written statement of its decision, which decision must be properly recorded and also at once made public.

In the hearing of the case, either of the parties can ask for the appointment of a person to act in the case as expert assistant to the board. Such expert will receive for his services \$7 a day and necessary traveling expenses.

The decision of the board is binding on the parties who join in the application for six months, or till either party has given a 60 days notice of his intention not to continue to abide by the decision.

It is also made the duty of the mayor or municipal authorities of cities and towns to notify the board when a strike or lockout is seriously threatened or actually occurs.

In addition to thus intervening when called on, it is the duty of the board whenever it receives information, either through the mayors or town authorities or others, that a strike or lockout as above described is threatening or in progress, to put itself in communication with the parties, and endeavor by mediation to effect an amicable settlement between them or to refer the matter to arbitration for settlement. In such cases the board can if it deems it advisable investigate the causes of the trouble, determine the party which it believes to be at fault and publish the same assigning such responsibility.

Provision is finally made that parties to disputes can if they desire refer the matter to a local board of arbitration to be created for that purpose, in the manner laid down by the act.

The most important feature to be noted in this as well as in the legislation of all the other states is that not the slightest attempt has been made to introduce the principle of compulsory arbitration. The general feeling in the United States in regard to this subject is that while such a measure might be desirable, no way has as yet been devised by which such a scheme could be made to work. The chief, if not the only reliance must be placed on the good faith of the parties and the moral effect exerted by the decision of the board.

The arbitration boards of most of the states have either been in existence for so short a time, or their operations have been on so small a scale that little can be learned concerning their efficiency.

The boards of Massachusetts and New York, however, have now been in existence 13 years, and their annual reports afford valuable data for a study of methods of arbitration. The reports of the board of New York are not so compiled as to permit of a tabulated statement of the work achieved. The following table, however, compiled from the annual reports of the Massachusetts board, shows that the work of the board, even qualitatively considered, is of much importance :

Year	Cases cited in annual report	Estimated yearly earnings of employees directly concerned	Estimated yearly earnings of all employees in factories concerned	Cost of maintaining board
1886	4	—	—	—
1887	21	—	—	—
1888	41	\$953 170	\$5 735 992	\$8 602 30
1889	26	3 684 000	10 162 000	8 433 38
1890	34	4 056 195	12 044 525	8 108 86
1891	30	2 307 000	9 038 750	8 592 36
1892	40	2 034 804	8 986 210	10 430 44
1893	36	1 652 246	8 637 625	8 980 00
1894	39	6 054 900	10 039 700	10 873 15
1895	32	1 704 666	7 483 250	10 028 16
1896	36	1 036 360	3 840 800	10 397 87
1897	31	1 216 300	10 012 480	11 305 86
1898	22	4 227 570	7 849 703	8 714 07

In regard to the value of the work of these boards, though they have far from obviated strikes, or even been as effective as it was hoped they would be, it is the general opinion that the boards have proven to be useful institutions.¹

¹) The contrary opinion is held by Mr North in his article cited in the bibliographic note.

The boards themselves undoubtedly think that they accomplish results of sufficient importance to justify their maintenance. The Massachusetts board thus says in one of its reports: "It is very confidently to be asserted, as we have said in former reports, that arbitration and conciliation in the name of the state are fully justified by practical experience in this Commonwealth." Mr Cummins, who has made a careful examination of the work of these boards on two separate occasions, is of the same opinion. He well says: "they (the board) accomplish much more than they actually decide. Their work is largely preventive. They remove the last excuse for gratuitous resort to industrial warfare by employer or employee. They lend official dignity to all important principles of peaceful negotiation. They menace the guilty with the displeasure of public opinion, which is nowadays more and more backed by money as well as morals, and they strengthen the weak with the hope of aid against oppression. They stand for a generous recognition of industrial liberty as opposed to class theories of compulsion. In the official organ of impartial investigation they also remove the last excuse for unwise and unintelligent meddling on the part of public opinion."

It remains now to consider the legislation of the federal government in regard to the arbitration of disputes between employers of labor and their employees in industries engaged in interstate commerce. The importance of strikes occurring on railroads, and the fact that they had such wide-reaching effects, even on the affairs of persons in no way concerned in the points at issue, led congress to take early action in this matter. October 1, 1888 congress passed an act providing that whenever a dispute arises between a railroad or other transportation company engaged in interstate commerce and its employees, if both parties are agreed, the matter may be referred to a board of arbitration.

Section six of the act, moreover, gave to the president of the United States the power to appoint whenever he saw fit

a commission of three, of which the commissioner of labor should be the chairman to investigate and report on all controversies between companies embraced within the scope of the act and their employees. The president has made use of this power but once, on the occasion of the great Chicago strike of 1894.

In consequence of the tremendous derangement of industry resulting from that strike, a strong demand arose for legislation which should prevent or at least render less severe a similar occurrence. The law of 1888 had proven to be thoroughly inefficient. After a very careful study on the part of congress, during which the advice of the United States commissioner of labor, the Interstate commerce commission, the officers of the various railway brotherhoods and the American federation of labor was sought and to a large extent followed, there was enacted on June 1, 1898 the very important law known as the National arbitration act.

This law attempts not only to provide a more effective system for the arbitration of railway strikes, but provides for the regulation of other matters concerning the relations between railways and their employees. It is, however, with the arbitration feature only that we are here concerned. The importance of this law merits that its provisions be given with some fullness.

The law in a general way follows the old measure, but is much more effective. It relates to any disputes arising between transportation companies carrying passengers or freight between two or more states and such of their employees as are actually engaged in train operation.

Whenever a controversy concerning wages, hours of labor or conditions of employment arises between these parties which seriously interrupts or threatens to interrupt the business of the company, it is made the duty of the chairman of the Interstate commerce commission and the commissioner of labor, on the request of either party, to intervene and use their best efforts to settle the difficulty amicably. If they are unsuccess-

ful in this they must at once endeavor to bring about its arbitration in accordance with the provisions of this act.

When a difficulty can not be settled by mediation, as above described, the matter can be referred, if both the parties so agree, to a board of arbitration of three persons selected in the following manner: one to be named by the employer; one by the labor organization to which the employees directly interested belong, or if they belong to more than one by that one which specially represents employees of the same grade and class and engaged in services of the same nature, and in all cases where the majority of such employees are not members of any labor organization, said employees may by a majority vote select a committee of their number which shall have the right to select the arbitrator; and the two thus selected shall choose the third. In the event of their failure to agree on a third arbitrator within five days, he shall be named by the chairman of the Interstate commerce commission and the commissioner of labor.

✓ { The most significant feature of the above provisions is the distinct recognition on the part of congress of labor organizations as the natural representatives of employees.

The submission to arbitration must be in writing and signed by both parties, and must contain the following stipulations: 1) that the board shall commence its hearings within ten days and file an award within 30 days from the date of the appointment of the third arbitrator; 2) that during the arbitration proceedings the status existing immediately prior to the dispute shall not be changed, with the exception that no person shall be compelled to render personal services without his consent; 3) that the award of the board, which can be made by a majority of the members, and the papers and proceedings, including the testimony which shall have the force of a bill of exceptions, shall be filed in the clerk's office of the circuit court of the United States for the district wherein the controversy arises or the arbitration is entered into, and shall be final and conclusive on both parties, except that an appeal can be taken to the circuit court of appeals on matters of law only;

4) that the parties will faithfully execute the award, and that the same may be enforced in equity so far as the powers of a court of equity permit, provided, however, that no injunction or other legal process shall be issued which shall compel the performance by any laborer against his will of a contract for personal labor or services; 5) that the employees dissatisfied with the award shall not quit the service of the employer before the expiration of three months from the making of the award, without giving 30 days notice in writing of their intention so to quit, nor shall the employer if dissatisfied dismiss his employees, except under similar conditions; 6) that the award shall continue in force for one year, during which no new arbitration shall be had on the same subject between the employer and the same class of employees. Individual employees not belonging to the organizations entering into the arbitration are not bound by the award unless they give their assent in writing.

The board thus constituted is given large powers to administer oaths, examine witnesses, demand the production of papers, etc.

The foregoing act contains many important features which can only be appreciated after a careful examination of the provisions. While arbitration is not compulsory and can only be resorted to when both parties consent, every possible safeguard is inserted to render the award, when made, effective. The agreement to submit the matter in dispute to arbitration is given the character of a binding contract in which the parties agree to maintain the status quo, to abide by the awards, etc. At the same time the provision that no employee shall be made to perform personal services against his will, safeguards personal liberty and is a blow at the power of granting injunctions which has been much abused by the courts in recent years. Space does not permit of a more detailed examination. The law, however, is a very important one, and seems to have made provision for as effective a system of arbitration as is possible short of compulsory arbitration, a system which the United States is not yet ready to adopt.

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In few branches of the complex labor problem is it possible to assemble such a complete and valuable set of documents as in that relating to the question of labor troubles and their settlement in the United States. Official and private investigations have made it possible to study the subject from the earliest time and from every point of view. The third annual report of the Department of labor, 1887, entitled *Strikes and lockouts*, gives a summary account of all important strikes occurring prior to January 1, 1881 and detailed statistics concerning all strikes and lockouts occurring during the six years from that date to December 31, 1886. This record is continued in the tenth annual report of the department, bringing the facts down to June 30, 1894, and the department is now at work upon a similar report which will give the figures for the years since then to the present time.

Supplementing this general record is the report of the Massachusetts bureau of labor statistics for 1880 giving an account of the strikes in that state since the year 1825, and the ninth annual report of the Pennsylvania bureau of industrial statistics giving similar information concerning strikes in its state for the period from 1835 to the date of its publication. Volume 20 of the *United States tenth census*, 1880, also contains a report concerning strikes and lockouts in the United States during the year 1880, prepared by Joseph D. Weeks. Other documents of value relating to labor troubles are the Report of the United States strike commission (Carroll D. Wright, chairman) on the Chicago strike of 1894 and the report of the committee of the house of representatives on the labor troubles in Missouri, Arkansas, Kansas, Texas and Illinois, 2 v., 1887. A great deal of information concerning labor troubles is of course to be found in the various reports of the state bureaus of labor. An interesting account of the most important strikes in the past is given by Carroll D. Wright in his book *Industrial evolution of the United States*, 1895.

The law concerning strikes, as fixed by statutes and judicial decisions, can be found in *The law of strikes, lockouts and labor organizations* by Thomas S. Cogley, 1894, *The law applicable to strikes* by Bernard Moses, 1895 and *Sympathetic strikes and sympathetic lockouts* by Fred S. Hall, Columbia university studies in history, economics and public law, v. 10, No. 1, 1898.

Turning now to the subject of arbitration, the most important sources of information are the reports of the various state boards of arbitration and conciliation, notably those of Massachusetts and New York, both dating from the year 1886. The laws relating to conciliation and arbitration of labor disputes can be found in the special report on labor laws and the bulletin of the department of labor, or in the appendixes to the reports of the Massachusetts and

New York state boards of arbitration. The best account of the practical working of the laws providing for the organization of state boards of arbitration and conciliation are the three articles in the *Quarterly journal of economics*, "Action under labor arbitration acts" and "Industrial arbitration in the United States" by Edward Cummins, July 1887 and July 1895 respectively, and "Industrial arbitration, its methods and its limitations" by S. N. D. North, July 1896.

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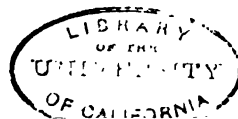
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BUILDING AND LOAN ASSOCIATIONS

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WILLIAM FRANKLIN WILLOUGHBY
Expert in the Department of Labor, Washington, D. C.

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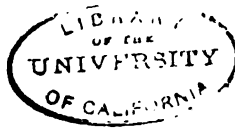
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BUILDING AND LOAN ASSOCIATIONS¹

IN THE UNITED STATES

BY WILLIAM FRANKLIN WILLOUGHBY

Introduction. The American building and loan association, both on account of its character and the remarkably successful results that it has accomplished, is entitled to rank as one of the foremost institutions that have been developed in any country for the improvement of the working classes. As the commissioner of labor in his report on these institutions says, "these private corporations doing a semi-banking business, conducted by men not trained as bankers, offer a study in finance not equalled by any other institutions."

These associations are interesting from a number of distinct points of view. They offer not only the most successful scheme that has ever been devised for making it possible for artisans to become the owners of their homes, but minister to a number of other ends of almost equal importance. Building and loan associations combine the essentials of three different organizations, those of a savings bank, of a loan institution, and of a building society. The mere performance of the functions for which these institutions stand is moreover not the sole measure of the value of their work. They afford an example of the possibilities of cooperation that has no equal in the United States; and, in the development of this and the habit of saving, they contribute powerfully to the culti-

1) These associations are known under a great variety of slightly different names, such as "Building and loan associations," "Cooperative building and loan associations," "Cooperative savings and loan associations," "Mutual savings and loan associations," etc. The naming, however, is largely a matter of individual choice, all of them meaning the same class of institution. Mr Dexter chose for the title of his work "Cooperative savings and loan associations," while the Department of labor selected as the title of its report "Building and loan associations." We have here chosen the latter title.

vation of those principles of individual self-help and association which are such desirable qualities to inculcate among the population of any country. In studying these institutions, therefore, they should be regarded from these several stand-points, and not merely as building societies.

The fundamental idea which is expressed in the building and loan association is an exceedingly simple one. It is briefly this. Let us suppose 50 workingmen who are desirous either of making savings or of acquiring a home. No one of them alone has sufficient money to buy a house under ordinary conditions. They combine together and form a society in which each obligates himself to pay a certain monthly sum according to his financial ability, or say an average of \$2 a month. At this rate \$100 will be paid in each month. As soon as an amount sufficient to erect a house has been accumulated, it is loaned to the member who will agree to pay the highest rate of interest for its use. All of this loan must be used for the purchase or erection of a house by the borrower, who gives a mortgage on it to the society for the full amount of the loan as security for its repayment, and at the same time agrees to repay the loan in certain regular monthly installments. In a word, a number of members, no one of whom has enough money with which to build a house, club together and by their joint contributions create a sum sufficient to enable one of their number to acquire a house. The affair is mutually advantageous, since the borrower gets the loan he desires, and the lenders are rewarded by a fair and usually generous rate of interest. It is an example of pure cooperation. There is no payment of commissions to outside parties. All sums realized from interest are divided among the members.

This is merely the general principle involved in the organization of a building and loan association. In actual practice, the affair is not quite so simple, and a number of provisions have to be made in order to determine how the money will be lent, what interest will be charged, what security will be

demand, how the repayments of loans must be made, the penalty for non compliance, etc. These elements permit of a great variety of combinations, and in actual practice, therefore, there is found a great variety of associations. The fundamental basis of all, however, is the simple operation that has been described.

In order to make known, not only the idea, but the exact character of the institution, a study will be made of a typical association. For this purpose a selection is made of a serial type of association, not only because it is the most important, but because it best exhibits all the essential principles of such organizations as they exist to-day.¹

A typical association. The serial building and loan association gets its name from the fact that the shares of stock which represent the relative interests which their holders have in the association are issued in regular series at stated intervals of time, usually annually, semi-annually or quarterly. The serial, in common with all other forms of building and loan associations, is a corporation, the capital of which is represented by shares of stock, and in which every member must be a stockholder. There is, however, an essential difference between a stockholder in such an association and one in an ordinary corporation. In the latter case the holder buys his stock and pays for it at once, and generally he is not called on for any further payments. In the building and loan association, on the contrary, the stockholder or member merely subscribes for a certain number of shares of stock on which he must pay a stipulated sum each month, or week, till the aggregate of the sum paid, augmented by the profits, amounts to the face or maturing value of the stock, usually \$200, when he surrenders the same and receives that amount. In other words, the stock is merely a certificate representing the amount that the members agree to pay in monthly, and the maximum amount that they can borrow from the association. As an actual fact, there

¹) There are three main types of building and loan associations, the "terminating," the "serial" and the "permanent," the difference between which will be described later on. Within these types, however, an infinite variation in detail is possible.

are no certificates handed over to members. Each person is inscribed on the books as having subscribed for so many shares, and receives a pass book stating the same, in which are entered monthly payments as they are made.

This system of issuing shares in series is in order that the relative rights of members joining at different times in the life of the association may be adjusted. All subscribers for shares in the same series are on exactly the same footing. If new series are issued annually, there will be as many series as the association has been years in existence, till the period is reached when the first series matures. If a member desires to join the association after the current series has been running several months, he is required to pay all back dues as if he had been a member since the series was first issued. The same member may hold shares in a number of different series. In this case he is treated as so many distinct persons, having a separate pass book for the shares in each series.

It is thus seen that an association starts with practically no capital, but accumulates it from month to month, and from year to year, as dues are paid in and interest is earned. The capital of a building and loan association, therefore, consists of the combined savings of members paid to the association in the way of dues on shares of stock, increased by the interest which may be earned by loaning these savings to members, by fines, entrance fees, transfer fees, etc., when there are such.

As soon as enough money has been accredited to a series in the way of dues and profits to make its value equal to \$200, it is said to have matured, and the holders are paid this sum and the whole series cancelled. After a certain number of years, therefore, each year will see the oldest series cancelled and a new series started. Societies differ greatly in the treatment of matured shares. Some require that they should be paid and cancelled. Others permit their owners to allow the \$200 represented by each share to remain on deposit with the association and therefore invested by it. No further monthly payments are, however, made on them.

There is no such a thing as a member forfeiting the payments that he may have made on shares. If a member through misfortune or any other reason is unable to continue his payments, he can withdraw all that he has paid in, usually with some interest, or better still, if he holds several shares he can surrender one share, and with the money thus obtained, continue the payment on the others. In order to encourage members to remain in the association as long as possible, it is usual to provide that those shares which are withdrawn before maturity will receive a lower rate of interest or participate to a less extent in profits, than those shares remaining in till matured.

In the foregoing, we have described the building and loan association only as a savings institution, and consequently how the capital of the association is accumulated. We now turn to a consideration of the methods adopted for the investment of these funds.

It is a cardinal principle of all associations that their capital shall be loaned only to their own members. As fast as dues or interest are paid in, therefore, they are loaned to members who desire to build houses for themselves. Some associations allow loans to be made for other purposes also, but this is the exception, and practically all the money loaned is to enable members to acquire their own houses. The process by which these loans are made, differs materially from that made use of by savings banks and other moneyed institutions. In the building and loan association the money is put up at auction, usually in open meeting at the time of the payment of dues. Those members who wish to borrow bid a premium, that is, a bonus above the regular rate of interest charged, and the one who bids the highest premium is awarded the loan.

When there is no competition for the money, the borrower simply bids "par" and will be accorded the money on which he then pays simple interest, which is usually 6 per cent.

Ordinarily a member must have secured a lot before he can obtain a loan for building purposes. This is in order to give

a margin of security to the loan. He must then hold shares, the total of whose par value is equal to the loan he desires to make. The borrower must then make two kinds of payments to the association — interest on his loan and dues on his shares. He continues these payments till his stock has reached its matured value, the equivalent of his loan. Were no profits earned by the association this would require payments during 200 months. Actually, however, the value of his stock has been increasing each year through its proportional participation in profits. The stock will therefore mature in a somewhat shorter time, which will vary as large or small profits are realized.

In the meantime the borrower has given to the association, in order to provide security for the loan, a mortgage on the property he is acquiring, and has pledged his shares. At their maturity, the shares are equal in value to the loan. They are therefore surrendered and cancelled, the mortgage is released, and the borrower becomes the absolute owner of his property.

The borrower, however, is not obliged to retain his loan till his shares mature. He is at perfect liberty to repay his loan in full or in part at any time, and thus stop his interest payments. This absolute freedom with which the borrower can repay his loan, either in small installments or at one time, is one of the great advantages of borrowing through such an institution.

If, on the other hand, the borrower fails to make his regular payments, it is usual to give him six months grace in which to do so. If he becomes more than that time in arrears, the whole loan becomes due at once and the association takes the usual method of collecting the debt, by foreclosing the mortgage and selling the property. In this case, of course, the value of the pledged shares is first applied on the loan, and only the balance sued for. If a sufficient sum is not realized at the sale to pay this balance, a personal judgment for the deficiency may be taken against the borrower.

The contingency that there may be no demand for loans is one that is very rarely met. Should it occur, however, the

worst result would be that the money would for a time lie idle and no profits be realized. To meet such cases, most associations, moreover, provide that if uninvested funds accumulate beyond a certain amount the older issues of stock can be paid off at their then value.

It will be seen at once, from what has been said, that investment in a building and loan association is as nearly safe as can be. All the funds of the association are loaned as fast as they accumulate. There is, therefore, never more than a small sum on hand that can be embezzled. Again, the character of the investment is as secure as can well be desired. Not only does the borrower give a mortgage on the property to be acquired, but, by the payments on his shares of stock, commences immediately the repayment of the principal of the loan. The security of the association thus becomes better every month on all of its loans. The opportunity for a shrinkage of securities, enough to affect this increasing security, is a very remote contingency.

Before leaving this subject, mention should also be made of another kind of loan which is permitted by a good many associations, namely, that of the so called "stock loan." It frequently happens that a member may desire to borrow money for a short time for other purposes than that of acquiring a home, and at the same time he is unwilling to surrender his stock in order to obtain this money. In a great many associations, therefore, he is allowed to borrow money from the association, to the extent of the withdrawal value of his shares, by pledging the latter for its repayment. The association thus admirably serves the purpose of a general loan association without itself running any risk of loss.

We now come to the subject of the distribution of profits. The gross profits of the association consist of interest, premiums, shares of profit left by members withdrawing before their shares have matured, and fines, entrance and transfer fees where there are such. The principal item is of course interest.

For the purpose of the division of profits, it is necessary to

make up a balance sheet showing the net profits realized each time that a new series of stock is commenced, and then apportion these profits to the running shares, in order that a new account may be started with a new issue of stock.

After the end of the first share-issuing period, the apportionment of profits is a simple matter. The same amount is given to each share, and this amount is determined by dividing the net profits by the number of shares outstanding. The subsequent apportionment of profits after a number of series have been issued is a somewhat more complicated matter. The shares of the earlier issues should profit to a greater extent than those of the later issues, since their value is greater and they therefore represent a greater investment. It is therefore necessary to take this into account and apportion profits according to the value of the shares.

It is, of course, understood that this division of profits is not really done by transferring any cash, as in reality all of the funds, including the net profits, are invested. The operation is merely to determine the value of the shares in each series before the issue of a new series is commenced. This explanation of the division of profits makes it evident why the device of issuing shares in regular series was adopted. It facilitates greatly the operation of determining the relative rights of members joining the association in different years.

In the foregoing account it has been assumed that all net profits are distributed. Some associations, adopting what is evidently a wise course, deduct from the net profits a small percentage before making the distribution, and carry it over to the new account as undivided profits, gradually increasing the amount thus set aside from year to year, and thereby constituting what is properly called a "guaranty fund," and if any losses are sustained during the year they are charged up against this fund, thus distributing the effect of any loss in such a manner as not to impair seriously the steady distribution of fair dividends at the close of each fiscal period.

The general financial scheme of the ordinary building and

loan association has now been described. It only remains to say a few words concerning the manner in which the association is governed.

The officers of an association usually consist of a president, a vice-president, a treasurer and a secretary, who are ex-officio members of a board of directors, to which are added a number of other members and an attorney. The attorney is either appointed by the board of directors or elected by the stockholders. All the other officers are elected at the annual meetings of stockholders for terms of one, two or more years as may be desired. If satisfactory, it is usual for the same officers to be elected term after term.

There are two modes of voting. The first is to allow each stockholder to cast only one vote no matter how many shares he may hold. The second is to allow one vote for each share of stock owned. The advocates of the one-vote system claim that it prevents a few stockholders, by holding a great many shares, to control the association. On the other hand, a man's influence in the management of the association ought to be proportionate to his interest in its operations. It would seem that some medium system such as has been adopted in a great many cases, where the number of votes is determined by the number of shares held, but can not exceed a certain number, say ten, for any one member, would be the preferable system.

The duties of these various officers are in general either sufficiently indicated by their titles. The board of directors is usually divided into three finance committees, each serving four months in turn, the most important duties of which are to appraise and pass on the sufficiency of the security offered for each loan. The attorney is a very important officer, as on him devolves the duties of examining the title of each piece of property on which it is proposed to grant a loan, of drawing up the necessary legal papers, notes, deeds, mortgages, etc., and of seeing that they are properly recorded in the government offices.

The question of operating expenses of any provident insti-

tution is a feature second in importance only to that of safety. In this respect the building and loan association occupies an exceptionally favorable situation. It is safe to say that nowhere is there any other institution doing anywhere near the same amount of business, with operating expenses so small. In a great many associations they are almost nothing. As business is, for the most part, only transacted monthly, there is rarely any need for special quarters, and the residence or office of the secretary and treasurer or some other officer is used at no expense to the association. As an almost invariable thing the only salaried offices are those of the secretary and treasurer which are frequently held by the same person. As the business of the association takes up but a small part of his time, this officer can afford to, and does serve for a small salary, frequently as low as 10, 15 or 20 dollars a month. Moreover, it is not an unusual thing for the same person to become known as an efficient secretary and book-keeper and be elected to these offices in a number of different associations.

The salary of this officer, then, with the small expenditure required for stationery, printing, etc., constitutes practically all the operating expenses.

The attorney is usually paid by the person receiving the loan. His remuneration is fixed according to a certain scale of charges which are always at a rate much less than those charged for similar services when loans are negotiated through the usual business channels.

When it is remembered that all the profits are divided among the members themselves in exact proportion to the value of their shares, it can be seen how it is possible for these institutions to realize large dividends for their members, and how thoroughly the principles of true cooperation are carried out.

The different types of association. In the foregoing, an account has been given, not only of a typical association, but of the general principles underlying the organization of all building and loan associations. In the elaboration of these

principles, however, the opportunity is afforded of making an almost infinite variety of combinations without departing materially from the model type. These differences relate for the most part to the method of issuing shares, the rules adopted for determining the premiums to be paid by borrowers, the plans for distributing profits and the rights of members withdrawing shares before their maturity. Thus the Department of labor in its investigation found three types of societies as regards their manner of issuing shares, 68 distinct premium plans, 25 distribution of profit plans and 12 plans for regulating the rights of withdrawing members. All of these differences are fully described in this report, and any attempt to do the same here would not only be a matter of supererogation, but would inevitably lead to confusion. Mention, however, should be made of some of the main differences.

The first of these is that of the division of all societies, according to the scheme of issuing shares, into the three groups known respectively as "terminating," "serial" (the type we have described) and "permanent" associations.

The "terminating" association is the primitive form of the building and loan association, and is now fast disappearing before the increase in associations of the other two types. In this, the first and undeveloped form of building and loan association, but a single series of stock was issued. Every person taking stock subsequent to the date of the first issue was obliged to pay all back dues no matter how great in amount they might be. Inasmuch as only one issue of stock was made, the life of the association was limited to the time that it took this stock to mature; hence the name "terminating" which was given to these associations. This scheme, also, it will be seen, involved the condition that every shareholder remaining in the association at the time the stock matured should be a borrower to the amount of the matured value of the shares held by him, or the funds of the association would be uninvested. Under this scheme, therefore, it was necessary that the association should have the power of com-

selling shareholders to borrow. Without following this description further, or explaining why these conditions were necessary, it is evident that this form of association was exceedingly cumbersome and imperfect. Fortunately, however, it had in it the germs of an idea that was susceptible of improvement and development.

The defects of the terminating system were that the association could maintain its existence only for a certain length of time, and must sooner or later be dissolved; that after the association had been running some time it was difficult for new members to join on account of the amount of back dues they would have to pay; and that it was necessary towards the end of the life of the association to resort to forced loans in order to keep the funds of the association productively employed.

To overcome these defects, the serial scheme was developed. From the description of this type of association that we have given it is evident how all of these defects were perfectly remedied, the life of the association was made perpetual if desired, new members could join without paying more than one year's dues, and there was no necessity to resort to forced loans.

The third type was that of the perpetual association. This name is unfortunate and a misnomer, since the serial type is equally a perpetual association. The essential difference between these two plans is that in the perpetual association stock is not issued in series but at any time that there is a demand for it. The only practical difference resulting from this change in the plan of issuing stock is that of book-keeping, or the calculation of the value of each share in order to apportion profits. Between the serial and the permanent plans there is, if the association is properly organized, but little choice. The serial has been described, since it is the more prevalent type and because its operations are more easily understood.

The great variety of the plans for the regulation of premiums, of the distribution of profits, etc., render it in-

advisable to enter upon any discussion of their differences.

From another point of view there is a very important division of building and loan associations into the two classes of local and national associations.

The associations that we have been considering have been the local associations. This is the true type of cooperative association, and was the first to be developed. It rests upon the fundamental principle that no matter where the members may reside, loans will only be made to members residing, and on land situated, in the local administrative division in which the association is organized.

The advantages of this practice are obvious. All the investments are under the immediate control of the board of directors, and the security offered can thus be more certainly ascertained. Again, there is no necessity for the employment of agents and the consequent granting of commissions or salaries as must be done in the case of national associations whose operations can extend all over the country.

— On the other hand, the national associations can perform one important service that is utterly beyond the power of the local association—that of bringing capital which may be abundant in one section of the country to another section needing it. In doing this they undoubtedly perform a useful service.

The national associations are of recent development and as yet constitute but an insignificant proportion of all building and loan associations. As will be seen in another portion of this paper, their total number in 1893 was only 240 out of a total of 5838 associations of all kinds, and of these none had had an existence of ten years, while 226 were less than five years old. It is as yet impossible to say what will be their future. Certainly their growth in recent years has been rapid.

— Upon certain points there can, however, be little doubt. The national associations, while but few have met with disaster, can not afford the same degree of security as that offered by the local association, and their expenses of opera-

tion are necessarily higher. Most important of all, the principles of cooperation are sacrificed to a considerable extent, as it is usual for these associations to be organized by persons with a view of profiting from them, either through salaries or participation in profits by officers as compensation for their services.

Owing to these and other considerations, a strong prejudice against national associations has grown up in the minds of many. A great deal has been written in recent years in favor of and against these associations, but into this discussion we cannot enter fully. It will be of interest, however, to reproduce the opinions on this point of the two men most competent to pass on the merits of the questions involved. The fact that they hold diametrically opposite views shows how uncertain public opinion still is on this matter.

Mr Carroll D. Wright says :¹

At the present time the prejudice which has existed for many years against nationals is being overcome, and they are conducting their business, as a rule, with the same integrity that the locals display in the conduct of their affairs. There is a jealousy to some extent between locals and nationals ; but with proper laws in every state to regulate, control and supervise both nationals and locals, as savings banks and other banks are regulated and supervised, there ought to be little or no trouble in securing the honest administration of their affairs.

On the other hand Mr Dexter, the great authority on building and loan associations, says :²

In my own thoughts and ideas, the building and loan association is a local institution, and the principles on which it is founded do not admit of unlimited extension. The unparalleled success of these associations in the past has been largely due to the fact that they were local and neighborhood institutions, and comparatively small in the aggregation of capital in each. The moment these associations become extended in the conduct of their business over large territory, that moment many of the elements of safety involved in the local association methods are necessarily eliminated,

1) Report on Building and loan associations, p. 16.

2) Proceedings of the Third annual meeting of the United States league of local building and loan associations, 1895.

and dangerous ones substituted in their place. They are no longer genuine building and loan associations because no longer conducted on the methods on which these associations have won their success and grown into fame.

The writer must confess that his opinion more nearly corresponds with that of Mr Dexter.

Finally, it should be noticed that the results of the great success achieved by building and loan associations have led men to create institutions along the same lines, with the exception that the cooperative feature has to some extent been sacrificed in order that they may serve as money making institutions to their officers or promoters. To do this, the differences introduced are that the method of electing officers is so arranged that the promoters of the enterprise are certain to control affairs, and then instead of providing for an equal division of profits, a certain return, usually six per cent, is guaranteed all depositors, the balance of the profits going to the management. Another method is by providing for liberal salaries for the officers or for the payment to them of a certain percentage of gross profits. These associations although not representing the highest type of a cooperative building and loan association are not necessarily bad institutions. On the other hand they are quite the reverse. Their profits are rarely excessive; they have the advantage of having more skilled financiers at their head; and there are a great many persons who prefer a fixed guaranteed rate of interest to the somewhat larger but more uncertain participation in profits. The small building and loan associations are apt to be of the pure cooperative type, while the large associations which are located in the cities are frequently of this latter type.

Before leaving this description of the different types of associations, mention at least should be made of the fact that it is entirely feasible to combine with the operations of these organizations that of life insurance. Though the practice of doing this is by no means prevalent, a number of associations have made arrangements with life insurance companies

under which the latter guarantee the payment of a life insurance policy in case of death, for the full face value of the stock held by the member at the time of his death, whether it is borrowed on or not. The taking out of such insurance is of course specially desirable on the part of those who are attempting to acquire a home, for in case of their death the insurance company pays a policy equivalent to the amount due, and the property becomes fully paid for. Members who wish to avail themselves of these advantages must submit to a medical examination and pay in addition to their regular dues an insurance premium graduated according to their age.

Recapitulation. Special services of associations. Owing to the fact that these associations perform so many different services, it will probably be of advantage to sum up in the way of a recapitulation the various services performed and the advantages offered by building and loan associations. These functions are of three kinds: first, that of savings banks; second, that of loaning institutions; and third, that of building societies.

As savings institutions these associations offer greatly superior advantages to those offered by the ordinary savings banks. The most important of these is, of course, that with equal security, they give a much higher rate of interest on deposits. While the rate of interest offered by savings banks is frequently but two per cent and very rarely exceeds five per cent, that obtained from building and loan associations rarely falls below six per cent and is usually considerably higher than that rate. The reason why such high rates of interest can be paid lies first of all in the very low expenses of management, secondly, in the fact that funds are constantly invested, and, as payments are made at least monthly, interest is really compounded that often, and finally, in the fact that a proportion of the members always withdraw before their shares mature and thus sacrifice a portion of their profits, which goes to swell the profits of those remaining to the end.

A second important advantage of the building and loan

association lies in the fact that the members enter into an agreement and become accustomed to making regular payments of a fixed amount. Though they would forfeit but a portion of their profits should they withdraw before their shares mature, it is the experience of all associations that members will make every effort to continue their payments as long as possible. At the same time members are not limited to making these payments. They can at any time take out additional shares, and most societies allow them to make additional deposits exactly as would be done in a bank on which is paid a fixed rate of interest, generally six per cent.

Concerning the value of the services of building and loan associations as savings institutions there is only one opinion, but as loaning institutions they have been subjected to considerable criticism. That these associations are of great value to the depositing members there is no doubt, but it is claimed that this is only possible at the expense of the borrowers. In other words it is argued that a high rate of interest can only be paid to depositors by charging an equal or higher rate to the borrowers. This is a point of great importance and should be examined carefully. The difficult point in the organization of an association is always the adjustment of the relative rights of the man who is a depositor only and the one who is both a depositor—for all members as we have seen must be shareholders and therefore depositors—and also a borrower. It is the attempt to solve this difficulty that has led to so many forms of building and loan associations as regards premium plans and methods of division of profits.

The theory that the building and loan association is a good thing for the depositor and a bad thing for the borrower rests upon the fundamental fallacy that one man can gain only that which another loses. The proper comparison to be made is that between two depositors of whom one borrows money from a building and loan association and the other from a bank or private capitalist.

It should be remembered in the first place, that a man can

frequently obtain a loan from a building and loan association with which to build, when it would be impossible for him to obtain a loan in any other way. In such a case the only question is whether it is better for him to borrow at all. Often he can pay a high rate of interest and yet have the affair an advantageous one for him, since by borrowing and building he is able to stop the payment of rent and devote the money formerly going to that purpose to interest and payment of dues. It is thus possible, and indeed is frequently the case, that the amount going for these payments does not exceed the amount he was accustomed to pay for rent, though he is all the time living in his own home which he is gradually paying for.

But let us suppose that he can obtain a loan from a capitalist with which to do the same thing. In that case would it not be to his advantage to take it in preference to borrowing through the association? From the single standpoint of interest payments it undoubtedly would. The interest usually charged by banks is six per cent, while in building and loan associations he must pay this rate and also bid a premium in order to obtain the loan. In this way, his total payments may be equivalent to an interest payment of seven, eight or nine per cent.

There are, however, other elements which must be taken into consideration, all of which are in favor of borrowing from a building and loan association.

The first of these is that of the initial expense of obtaining the loan. In the United States a loan is usually obtained through a broker whose commissions are one or two per cent on the amount of the loan. Next comes the payment of legal expenses, the examining of the title of the property, the execution of the legal papers, etc. These expenses are invariably performed by the building and loan association according to a scale of charges much lower than that of attorneys doing similar services outside of the association. A saving is thus made by the borrower from an association of from \$25 to \$50, a no inconsiderable item in a small loan. Finally, loans made in the

ordinary way are usually for a short period of time, three or five years, and when they fall due, it is customary for the brokers to charge another commission for renewing them.

If all of these facts be taken into consideration, it will be seen that in reality, a borrower through a broker pays much more than six per cent, and he can afford to bid a considerable premium in a building and loan association and yet pay little if any more than he would pay if he borrowed outside. Nevertheless it is undoubtedly true that the great majority of persons borrow from building and loan associations because it is impossible for them to obtain the money in any other way. It is misleading then to say that the association is not a good thing to the borrower, even though he does pay a high rate of interest, for even then it is better for him than not to borrow and build at all.

But there is still another advantage of borrowing through a building and loan association that is of no small importance, namely, that of the easy conditions of the repayment of the loan. Instead of having to meet the whole loan at a stated time, the borrower can make his payments in small installments and thus diminish his interest in proportion.

In judging of this whole question, however, it should be remembered that associations differ widely from each other in regard to the way the borrower is treated, and it is undoubtedly true that in many associations the borrower has to pay very high rates of interest. This high rate is often disguised by being split up into premium and interest payments, and through the fact that he is required to pay interest on the whole sum borrowed until it is finally paid off, while in reality during the latter part of the period he is owing the association but a portion of that sum. Nevertheless these are not essential features of the cooperative building and loan associations. They are bad features which are more usually found in those associations which have been organized as business undertakings for the sake of the profits that can be made out of them. In the true cooperative association the honest effort is made to

make the association one of equal benefit both to the depositor and to the borrower.

To sum up this part of the discussion then, we may say that the cooperative building and loan association can be and usually is a beneficial institution, both from the standpoint of the borrower and the depositor; secondly, that the borrower can afford to pay more than six per cent for his loan and yet obtain it as advantageously as through a broker, on account of the saving of commissions and legal expenses, not to speak of the advantages of being able to repay the loan either in easy installments or more rapidly if he chooses; and thirdly, that if, however, a member desiring to build can obtain a loan directly from a friend or bank at six per cent without the payment of any commissions, it will be most advantageous for him to do so, and then by making the necessary payments into a building and loan association accumulate a sufficient sum to meet its payment when due.

As building societies. It is impossible to overestimate the influence that these associations have exerted as building societies. They have proven the most successful device ever developed for both encouraging and assisting workingmen to become the owners of their homes. It is unnecessary to dwell on the great value of the work thus done. "A man who has saved and paid for a home will be a better man, a better artizan or clerk, a better husband and father, and a better citizen of the republic." As regards the extent to which they have aided men to become house owners, we must turn to the history and results of these associations as shown by the great investigation of the Department of labor in 1893, and summarized in another section of this paper.

In concluding this description of the nature of building and loan associations, we can not do better than reproduce the words with which Mr Dexter closes his discussion of the advantages of these institutions:

We have not outlined an organization to be formed on some finely wrought theory, but one that has been most thoroughly tried

and very uniformly has met the expectations of those united in the enterprise. It is not an organization for a few to make large profits at the expense of the many; or one wherein the borrower pays a large interest for the benefit of the shareholder who does not borrow. All stand on an equal footing. It does not encourage speculation but steady savings; and to attain this there must be industry and frugal habits. It encourages home building and all the blessings that naturally flow from it.

History and results. The history of the rapid growth and present enormous development of building and loan associations furnishes the most eloquent testimonial of their benefits that can be offered. Their history has in part been frequently chronicled, but it was not till the investigation made by the Department of labor in 1893, the results of which were published in its ninth annual report, that any reliable data was collected concerning their number and importance throughout the entire United States.

The first building and loan association was probably one organized in a suburb of Philadelphia, Pa., January 3, 1831, named Provident building association. While building and loan associations thus had their birth as early as 1831, no progress was made for a great many years, the second association apparently being one organized at the same place in 1845. It was not till this latter date that the scheme began to spread, and not till the last ten or fifteen years that they began to reach their present great importance.

In 1893 the Department of labor found in operation 5838 associations, concerning 5819 of which it secured data. Of these, but nine had been in existence 30 years, or prior to 1863. Of the remainder, 31 were 25 years but less than 30 years old; 143, 20 but less than 25; 250, 15 but less than 20; 589, 10 but less than 15; 2177, five but less than 10; and 2620, or over two-fifths of the total less than five years old. The average age of all the associations was but 6.2 years, the locals having an average of 6.3 and the nationals, 2.5 years.

Pennsylvania, the home of building associations, still maintained its predominance. Of the 5838 associations, it had

1079, or over one-sixth of the total. The state coming next was Ohio with 721. Then followed Illinois with 669, Indiana with 445, New York with 418, Missouri with 366, New Jersey with 288, Maryland with 240, Kentucky with 148, California with 133, and Massachusetts with 115. No other state had as many as 100.

The number of national associations was 240 as against 5598 local associations.

As regards the character of the associations, it was found that of the local associations, 3168 or 56.6 per cent of the whole were serial, 1671 or 29.8 per cent were permanent, and but 759 or 13.6 per cent were terminating. Of the nationals, 138 or 57.5 were serial, 101 or 42.1 per cent were permanent and only one was terminating.

The number of members and the average size of association is a point of interest. The number of members could be obtained from but 5796 associations, but these showed a total of 1,745,725 shareholders. The sex was stated in regard to 1,227,442 shareholders, of whom 919,614 were males and 207,828 were females, or about one female to every three males. The great majority of local associations are very small organizations and embraced less than 200 members. Of the 5559 associations reporting these facts, 1570 had fewer than 100 and 1747 had 100 but less than 200 shareholders; 904 had 200 but less than 300; 492 had 300 but less than 400; 272 had 400 but less than 500; 528 had 500 but less than 1500 and but 46 had 1500 or over. The national associations naturally had a larger membership. Out of 236 reporting, 81 had over 1500 members; 73 had 500 but less than 1500; and 82 had less than 500 members. The largest association was a national association in Tennessee, with 14,088 shareholders. The average for all associations was 301.2 shareholders.

The number of these members who were borrowers, of course, bears a small proportion to the total number of shareholders. Of the 5541 local associations giving this information 2953 had less than 50 borrowers; 1427, 50 but less than

100; 768, 100 but less than 200; 220, 200 but less than 300; and but 165 had 300 or more borrowers. The average for all associations was 78.9. 5765 associations reported both the number of shareholders and the number of borrowers. From these it was found that 29.83 per cent of all shareholders in local and 13.77 per cent in national associations were borrowers. These figures are of great importance since they show to how large an extent the members have joined associations, not only to make use of their savings features but for the purpose of acquiring a home.

An interesting feature of the investigation of the Department of labor was the attempt to ascertain the social condition of the persons who make use of building and loan associations. The original purpose of these organizations was to enable men of small means to secure homes for themselves and to save their earnings. The question then is a vital one to determine, whether the character of these associations has changed or they still answer to the original intentions. It was unnecessary to obtain the occupation of every shareholder. The attempt, therefore, was not made, but the facts were obtained from 909 local and 12 national associations, the conditions of which were believed to be typical of building and loan associations generally. In these local associations there were 159,223 and in the national 15,547 shareholders. The occupations of these members and the proportion of the total that each class of occupation represents is shown in the following table:

OCCUPATIONS	909 Local		12 National	
	Number	Per cent	Number	Per cent
Accountants, book-keepers, clerks, etc.	10 048	6.31	1 442	9.28
Agents, bankers, brokers, etc.	3 339	2.10	704	4.53
Artizans and mechanics	23 148	14.54	1 940	12.48
Corporation officials	751	.47	139	.89
Farmers, gardeners, etc.	4 883	3.07	810	5.21
Government officials and employees	2 951	1.85	345	2.22
Hotel, boarding-house and restaurant keepers	2 658	1.67	317	2.04
Housewives and housekeepers	28 275	17.76	1 425	9.17
Laborers	23 378	14.68	1 523	9.80
Lodges, churches and societies	847	.53	7	.04
Manufacturers, contractors, capitalists, etc.	4 710	2.96	840	5.40
Merchants and dealers	19 513	12.25	2 694	17.33
Mill and factory employees	14 070	8.84	743	4.78
Persons engaged in the professions	10 048	6.31	1 686	10.84
Salesmen and saleswomen	7 581	4.76	520	3.34
Superintendents, foremen, etc.	3 023	1.90	412	2.65
Total	159 223	100.00	15 547	100.00

From this table it can be seen that in the local associations, 111,383, or 70 per cent of the whole number, were practically working people, while in the national they numbered 8403, or 54 per cent. These include the following classes as shown in the table:—accountants, book-keepers, etc.; artizans and mechanics, farmers and gardeners, etc., housewives and housekeepers, laborers, mill and factory employees, and salesmen and saleswomen. These figures show conclusively that the building and loan associations of the country are being used by the classes for which they were intended.

An additional evidence on this point is furnished by

the size of the loans made for purposes of building. Information on this shows that the great majority of loans are for small amounts, showing that modest houses are being built. Two thousand one hundred and twenty-eight associations reported the number and value of their loans then running. They showed a total of 155,027 loans, representing a value of \$175,574,588. The average value of the loans was therefore \$1,133. Forty-five national associations reporting the same information showed the average value of their loans to be \$920. This class of information is better brought out by showing the number of loans classified according to their amount. In 503 representative local associations, showing 32,781 loans, 9392 were for amounts less than \$500; 8651 for amounts of \$500 but less than \$1000; 9444 for amounts of \$1000 but less than \$2000; 4695 for amounts of \$2000 but less than \$5000, and but 599 for amounts over that sum. The national associations show a similar record. In 29 associations reporting these facts, of the 4040 loans, but 65 were for amounts over \$5000, the remaining 3975 being for smaller amounts, of which the great majority were for sums less than \$1000.

A third class of information on this point is that showing the average number of shares and their value held by members of associations, in other words, the extent to which the average member is financially interested in the association. In 5535 local associations giving this information it was found that there were 1,349,437 shareholders holding 10,291,210 shares having a total value, including dues paid in and profits credited to them, of \$408,704,126. The average number of shares per shareholder was therefore 7.6, with a total value of \$302.87. The average interest of members of local building and loan associations may therefore be said to be at least this sum, for the number of members is always somewhat less than the number of shareholders, through the fact that the same member may be counted as a shareholder several times, on account of the fact that he holds shares in a number of differ-

ent series. In 226 national associations there were found 362,803 shareholders holding 2,596,207 shares, the total value of which was \$31,470,536. The average number of shares per shareholder was therefore 7.2, with a total value of \$86.74. The short existence of these associations accounts for the much smaller amount held by each shareholder.

In the face of the evidence thus adduced concerning the occupations of shareholders, the average value of loans, and the average value of the shares held by members, no further demonstration is necessary to show that it is the men of small means, or the laboring classes who make use of building and loan associations, and not capitalists.

Turning now to the actual operations of these associations, it was found that the local associations had as total assets the large sum of \$473,137,454, consisting of \$422,313,725 loaned on real estate, \$15,880,663 loaned on the stock of the associations themselves, \$5,666,853 loaned on other security, and \$12,603,145 cash on hand, while all other assets, which consisted largely of furniture, buildings for business purposes and arrearages, amounted to \$10,673,068. The national associations were in possession of assets to the value of \$55,715,431, of which \$47,828,799 was in loans on real estate, \$1,471,530 in loans on stock of the association and \$334,818 loans on other securities. They also had \$1,453,261 in cash on hand and \$4,627,023 in other assets. Taking all the associations, both local and national, therefore, there had been saved through their instrumentality, the enormous sum of \$528,852,885. This, of course, takes account of only the assets then on hand and does not include the sums which had been saved in past years by members who had withdrawn their savings or had used them to acquire homes.

The first consideration of importance concerning this great sum is the degree of security with which it is invested. Information on this point is contained in the records of the number and value of mortgages that had to be foreclosed, in other words, the extent to which borrowers failed to keep up

their regular payments, and the losses that resulted to the associations in consequence.

We have seen from our study of these associations that the security obtained by the associations is as nearly safe as can be. The record of the operations of the associations fully bears out this statement. The total number of mortgages foreclosed during the entire existence of 5440 associations reporting on this point was but 8409, representing a total debt of \$12,217,126, and the loss incurred was but \$449,599. A loss of less than half a million dollars by over five thousand associations during their entire existence is evidently an insignificant sum. It must be remembered also that this does not represent an absolute loss to the members. Divided among the different associations and the different years, the loss was rarely sufficient to any more than reduce the profits of that year, the only loss to members being, therefore, that they received slightly less profits those years than they had expected.

The above figures show the extent of the savings made through these associations. A statement of the number of houses acquired through their agency will show the extent of their operations as building societies. Of the 5835 associations but 4444 reported the number of houses that had been acquired through them. These, however, showed that during their existence 314,755 homes had been acquired by their members through loans made by them. This does not include 28,459 buildings other than dwelling houses that were reported by 4422 associations. Of the total number of homes acquired, 290,803 were acquired through local and 23,952 through national associations.

There is one class of information, that showing the average cost of loans, which it is very desirable to have. Unfortunately, the great variety of systems followed by the different associations, and the fact that so many different elements enter into this cost, make it impossible to show the general results for all associations combined. This is a

question that has to be worked out for each association separately. It should be stated that there is a very wide difference between associations. It is undoubtedly true that the cost of loans in a number is very high. It is, however, the evidence of those most concerned with building and loan associations, that the tendency is more and more toward reducing this cost and making the position of the borrower relatively a more advantageous one.

In conclusion, some of the more important facts that have been given in the foregoing paragraphs are recapitulated in the following table in order that they can be seen at a glance and in their relations to each other. It should be remembered that but a portion of all the associations reported each fact, so that the totals as given in this table are less than the real totals for all associations.

ITEMS		Local	National	Total
Number of associations		5 598	240	5 838
Male shareholders in associations reporting		710 156	209 458	919 614
Female shareholders in associations reporting		263 388	44 440	307 828
Total shareholders in associations reporting		1 359 366	386 359	1 745 725
Average shareholders per association reporting		244	1 637	301
Shareholders who are borrowers in associations reporting		402 212	53 199	455 411
Per cent of borrowers in associations reporting		29.83	13.77	26.25
Total dues and profits		\$413 647 228	\$37 020 366	\$450 667 594
Average number of shares per shareholder in associations reporting		7.6	7.2	7.5
Average value of the shares per shareholder in associations reporting		\$303.11	\$86.73	\$257.26
Average size of loans in associations reporting		\$1 133	\$920	\$1 120
Homes acquired in associations reporting		290 803	23 952	314 755
Number of mortgages foreclosed in associations reporting		7 765	644	8 409
Value of mortgages foreclosed in associations reporting		\$11 031 394	\$1 185 732	\$12 217 126
Loss on mortgages foreclosed in associations reporting		441 106	8 493	449 599

Legislation. Legislation as it relates to building and loan associations looks towards two purposes: that of providing general laws under which such associations can be legally organized and incorporated, and that of providing for a supervision of their operations.

In regard to the first, it can scarcely be said that the building and loan associations have been retarded to any material extent by the lack of permissive legislation. The general laws of association and incorporation are so broad that these institutions can be organized and incorporated under their general provisions. As these institutions, however, have become more prominent, a number of states have passed special laws for their incorporation in order either to give to them greater privileges or to throw around them additional safeguards. Almost all of the states now have laws regulating building and loan associations in one way or another. It would manifestly be impracticable to attempt to make any analysis of this legislation.

The subject of supervision, however, is a much more important matter. These associations have grown up practically without any supervision on the part of the state. Though they have so organized and conducted their affairs that financial soundness has in almost all cases been secured, there are a number of features of their operations that could be with profit subjected to state supervision. The first of these is that requiring annual reports from all associations showing their receipts and expenditures during the year. These reports would not only show which associations were being economically managed, but would gather together most instructive information from all workers in this field that would allow members of one association to make a comparison of the operations of their own organization with those of others. Most of the states in which building and loan associations have received a great development, such as Pennsylvania, New York, Massachusetts, New Jersey, Illinois and Ohio, now require annual reports to be made to a special officer

to the banking or insurance commissioner, or to some other officer of the state. In most states, however, nothing is officially known of building and loan associations beyond the formalities of their incorporation.

It is worthy of note that the demand for additional legislation and supervision comes from the building and loan associations themselves. It is justly claimed that a great many associations are being organized as cooperative building and loan associations that are not cooperative at all, but are instituted by persons solely on account of the salaries they may obtain as officers or participation in surplus profits. It is the desire of the cooperative societies that such associations should not be allowed to take the name of cooperative associations, that no salary should be allowed to be paid to any officer but the secretary and treasurer, that the reports should always show exactly how much of the profits are devoted to salaries or are given to the officers in any other way, etc. In all this everyone having the interests of building and loan associations at heart must concur. This can only be accomplished through legislation, and as such legislation falls within the province of the individual states, the battle must be fought in each one, separately. Propositions of law looking towards the accomplishment of these ends are before almost all of the state legislatures, and each year marks a progress in this direction.

The fact that the Department of labor made a compilation of all laws relating to building and loan associations as a part of its report in 1893, and that such laws can also be found in the new edition of labor laws published by it, makes it unnecessary to enter more fully into this subject.

BIBLIOGRAPHIC NOTE.

It is fortunate that concerning such an important class of social institutions we are in possession of exceptionally complete and reliable sources of information. The most valuable exposition of the nature of building and loan associations is undoubtedly the book of Mr Seymour Dexter, entitled *A treatise on cooperative savings and loan associations*, the last edition of which was published in 1891. This book not only gives an admirable account of all the

principles involved in these associations, but gives copies of constitutions, the laws of several states regulating these associations, examples of the best methods of keeping accounts, etc. Other works of a similar nature are, *Cooperation as a business*, by Charles Barnard, 1881; *Building and loan associations* by H. S. Rosenthal, 1888; *A treatise on building associations adapted to the use of lawyers and officers, with complete set of forms*, by Charles Thompson, 1892, and *How to manage building associations*, by Edmund Rigley, 1873.

Concerning the actual condition and operation of these associations, as well as the description of the different types of associations, the greatest authority is of course the *Ninth annual report* of the Department of labor, "Building and loan associations," 1893. Supplementing this report are also a good many reports of state labor bureaus concerning associations in their particular states.

Finally, there should be mentioned the collection of papers read at the annual meeting of the "United States league of local building and loan associations." This organization, the object of which is to bring together into an annual congress all persons interested in building and loan associations, was created in 1892 at Chicago, but the first convention was not held till the following year, 1893. Annual conventions have since been held. The reports of these meetings are entitled *Proceedings of the annual meetings of the United States league of local building and loan associations*. The creation of this organization represents an important step and its reports will constitute one of the most valuable sources of information concerning building and loan associations. The files of the *Building association news*, the leading journal devoted to these associations, also contain information of great value.

The periodical literature is not abundant, but a number of the articles are of considerable value. It is chiefly limited to contributions appearing in the *Journal of social science*. The following is a list of articles on this subject appearing in economic reviews.

1 "Cooperative savings and loan associations" by Seymour Dexter, *Quarterly journal of economics*, vol. 3, No. 3.

2 "Papers on building associations" by R. T. Paine, Jr. and A. B. Burk, *Journal of social science*, No. 15.

3 "Cooperative building associations," Report of special committee, *Journal of social science*, No. 25.

4 "Report on savings banks and building associations of Illinois," by J. W. Jenks, *Journal of social science*, No. 25.

5 "Cooperative building and loan associations of the state of New York," by Seymour Dexter, *Journal of social science*, No. 25.

6 "The dangerous side of building and loan associations," by C. F. Southard, *Journal of social science*, No. 25.

7 "Report on cooperative building and loan associations," *Journal of social science*, No. 26.



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MONOGRAPHS
ON
AMERICAN SOCIAL ECONOMICS

EDITOR
HERBERT B. ADAMS
Professor of American History in Johns Hopkins University

ASSOCIATE EDITOR
RICHARD WATERMAN JR



XII

COOPERATION AND PROFIT
SHARING

BY
N. P. GILMAN
Meadville, Pennsylvania

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PROFIT SHARING AND COOPERATION IN THE UNITED STATES

By NICHOLAS P. GILMAN

The present paper is intended simply to give a few important particulars concerning profit sharing and cooperative production and distribution as they exist in the United States to-day (November 1899), without entering into history or argument. The long depression in business from 1893 to 1897 caused the abandonment of a considerable number of cases of profit sharing given in lists published in 1889. The instances known to be in operation to-day (no attempt has been made recently to take an exact census) are given in the following table:

UNITED STATES OF AMERICA

Date	Name	Business	Bonus
1872	The Riverside Press, Cambridge, Mass.	Publishers	Cash
1878	Peace Dale (R. I.) Mfg. Co.	Woolens	Cash
1879	Rand, McNally & Co., Chicago	Publishers	Cash
1881	Century Company, New York	Publishers	Cash
1882	Pillsbury Flour Mills, Minneapolis		Cash
1885	Columbus (Ohio) Gas Company		
1886	H. K. Porter & Co., Pittsburg	Light Locomotives	
1886	N. O. Nelson Mfg. Co.	Brass Goods	Cash
1886	Rumford Chemical Works, Providence, R. I.		Cash
1887	Rice & Griffin Mfg. Co., Worcester	Moldings	Cash
1887	Procter & Gamble Co., Cincinnati	Soaps	Cash
1889	Bourne Mills, Fall River	Cottons	Cash
1890	P. N. Kuss, San Francisco	Painter	
	Public Ledger, Philadelphia		
1890	Solvay Process Co., Syracuse, N. Y.	Soda Ash	
1892	Ballard & Ballard Co., Louisville, Ky.	Flour Mills	Cash
1895	Acme Sucker Rod Co., Toledo, Ohio		
1897	Broadway Central Hotel, New York		
	The Hub Clothing Store, Chicago		Cash
	The Roycroft Press, East Aurora, N. Y.		
	South Carolina Savings Bank, Charleston		
1898	Baker Mfg. Co., Evansville, Wis.	Windmills	Cash
1899	Columbus (Ohio) Traction Company		

Profit sharing is usually held to mean in the United States the division among the employees at the end of the year of a portion of the gains realized in the business, without much regard being paid to the degree of definiteness of the agreement so to divide. The definition given by Mr D. T. Schloss¹ should not be allowed to exclude cases where profits are actually divided by a firm year after year though the share of the workman is not "fixed beforehand." The above list will be seen to include several cases which might be strictly called instances of indeterminate profit sharing. There is a very considerable number of houses in the United States whose welfare institutions for their employees could be properly styled "collective profit sharing," although these concerns do not themselves use the term. In *A dividend to labor*² some 70 such concerns are described more or less fully. Profit sharing, philosophically considered, is an employer's welfare institution, and various forms of this shade off into profit sharing proper.

Comparatively numerous cases of abandonment of the plan of sharing profits with the employee have to be chronicled in the United States. But a large proportion of these are instances in which nothing like a thorough trial of the system was made. Some have been cases in which the advertising motive was conspicuous. In others there has been a general feeling of good will on the part of the employer, but almost absolute ignorance as to what has already been done in the field. Hence, he commits mistakes against which a slight knowledge of the experience of others would have warned him. The firm which takes up profit sharing seriously should make up its mind to a patient trial of the new way for a term of years; it should be willing to learn from experience, and fully realize that education is necessary for both parties that they may not cherish unreasonable expectations, and may learn to live up to the moral demands of the new situation.

1) *Methods of industrial remuneration.* p. 247.

2) See bibliographic note.

The influence of the trade unions, under a mistaken feeling of hostility to the scheme, has caused the most difficulty to the profit-sharing employer in the United States; it is specially illustrated in the case of the Ayra Cushman Company of Auburn, Me., where a very sincere and intelligent trial of profit sharing had to be given up after six years.

The three most prominent cases of profit sharing in the United States to-day are the Procter and Gamble Company of Cincinnati, Ohio, the N. O. Nelson Company of St Louis, Missouri, and the Bourne Mills of Fall River, Mass. These three companies illustrate forcibly the right way of doing things, and their persistence has been rewarded with conspicuous success.

The Procter and Gamble Company, with \$4,000,000 capital, have 30 large, handsome buildings for the manufacture of soap, candles and glycerin at Ivorydale, a suburb of Cincinnati. It employs some six hundred persons at the works, and one hundred in the Cincinnati offices and as traveling agents. Soap-making is comparatively a business for unskilled labor; wages is low for this cause, \$10 a week being the average for men, \$4.75 for women and \$3.50 to \$7 for boys. After having had much trouble with its employees in 1886, 14 strikes for all sorts of trivial causes having occurred, the firm adopted profit sharing in 1887, the workmen's share being in the same proportion to the entire profit that wages bear to the total cost of production. The first three dividends, running from 9.33 per cent to 13.47 per cent on wages, did not have much good effect on the morale of the force, so the company classified the men in four divisions and made the reward proportional to the interest they showed in their work. This plan succeeded perfectly, and indifference entirely disappeared. In July 1890, when the firm became a stock company, the plans were changed so as to pay the workmen the same dividend on their wages that the stockholders receive. This has averaged 12 per cent since January 1891. The classification was given up, having fully accomplished

its purpose ; 92 per cent of the workers are now participators. Arrangements are made to facilitate the purchase of stock by the workers. There is a pension fund which had only one pensioner on its rolls in January 1899. The company has had no labor troubles since adopting profit sharing, and considers the plan a financial as well as a moral success.

The N. O. Nelson Company of St Louis manufactures chiefly brass goods and material used by plumbers. It began profit sharing in 1886 with its 400 employees. The company, having thoroughly tested the scheme, has been developing it in the direction of cooperative production. At Edwardsville, Ill., it has established the industrial village of Leclaire. It has there six factories of model construction. The majority of employees are shareholders, the entire bonus being paid in stock since 1890 ; the bonus has varied from five to ten per cent between 1886 and 1896, there being no bonus to pay in two of these 11 years. Since 1892 wages has received twice the rate that capital has, or above six per cent interest. The company pays whatever sums are needed in cases of sickness and disability, charging the amount to running expenses, and it aids the families of deceased employees. A comely village adjoins the factories ; the company makes house-building easy and maintains welfare institutions. The cabinet shop is now in process of becoming a purely cooperative concern, under favorable terms from the company which practically secure the men interested against failure. The company will offer as easy terms to men in other shops whenever they wish to become, gradually, their own employers.

The experience of the Bourne Mills, located in Tiverton, R. I., just over the state line from Fall River, shows the great importance of education in profit sharing. The company adopted the system for a six months' trial in 1889, after a thorough study of the matter. In the ten years since, the directors have voted its continuance 14 times, as a good business policy. There are some 400 employees ; faithful work for six months qualifies one to become a participant in the

bonus which bears a certain proportion to the dividend paid to the stockholders. The total bonus¹ is not less than six nor more than ten per cent of the amount paid to the stockholders. The semi-annual dividend has varied from two to seven per cent, the average being 3.3 per cent. Wages have steadily risen, and employment has been almost constant. Between 1889 and 1895, inclusive, the Bourne Mills have paid nearly twice as large dividends as their competitors. The plan has never "been more satisfactory than at the present time." The treasurer of the company has taken great pains to educate the force to understand the logic of profit sharing.

Cooperative production has had a very unsatisfactory history in the United States. An account of such undertakings was published by the Johns Hopkins University in 1888.¹ The most important example of cooperative production there shown was that of the coopers of Minneapolis. Eight years later Prof E. W. Bemis, one of the writers of the history of cooperation above mentioned, reported that these shops "were only moderately successful"; of the eight running in 1886 only four survived in 1896. Scarcely anything else fully deserving to be called cooperative production can be found in this country.

Cooperative building and loan associations are numerous and prosperous. Cooperative life insurance is the method of the great fraternal societies of the United States, and among American farmers there are many cooperative creameries, as well as fire and tornado insurance companies on the cooperative plan. Cooperative distribution is practised mostly on the simple plan of securing discounts on retail prices from selected stores and factories for the members of Grangers' and Farmers' alliances. The total trade of cooperative stores outside of New England in 1895 is reported by Prof Bemis as about \$900,000. The cooperative stores of New England are almost all conducted on the Rochedale plan; and in 1895-6

1) See bibliographic note.

their sales amounted to \$1,200,000. Of these, the Arlington cooperative association of Lawrence is the largest and most prominent, with its 2800 members.

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(BY THE EDITOR)

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MONOGRAPHS

ON

AMERICAN SOCIAL ECONOMICS

EDITOR

HERBERT B. ADAMS

Professor in the Johns Hopkins University

ASSOCIATE EDITOR

RICHARD WATERMAN JR

XIV



RELIGIOUS MOVEMENTS FOR
SOCIAL BETTERMENT

BY

DR. JOSIAH STRONG

*President of League for Social Service, New York
and*

*Special Agent for Department of Education and Social Economy for the United States
Commission to the Paris Exposition of 1900*

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RELIGIOUS MOVEMENTS FOR SOCIAL BETTERMENT.

Nothing has been more characteristic of the nineteenth century than change. Comparing its beginning with its end, one might almost say of the United States as a Japanese said of Japan, "Nothing remains the same except the natural scenery."

If changes in the world of ideas have been less obvious than in the material world, they have been neither less real nor less radical. Nowhere have these changes been more marked than in the religious sphere; and they have found expression in a change of religious activity which is significant in its nature, its origin and its results.

I. NATURE OF THE CHANGE IN RELIGIOUS ACTIVITIES.

Religion is defined as "the recognition of God as an object of worship, love and obedience; right feelings toward God as rightly apprehended." This has been the common conception of religion; hence religious activities have been directed almost exclusively to bringing men into right relations with God.

The avowed object of endeavor has been not so much the salvation of the *man* as the salvation of the *soul*. The body has not been altogether neglected. There have been many beautiful ministrations, in the name of religion, to the needy, the sick and the suffering; but such ministrations have been more commonly classified under philanthropy. Especially have the organized activities of religion been directed to spiritual results.

So far as religion has made men temperate, moral, industrious and unselfish, it has had an important part in im-

proving social conditions. A man can hardly become conscientious toward God without becoming a better neighbor and a more worthy citizen. Thus society has incidentally reaped many benefits from the older forms of religious activity. Indeed, Mr. Benjamin Kidd argues that religion has ever been the principal factor in social progress. But such results have been quite secondary, and for the most part indirect and unintended. The primary, direct and conscious aim of religious organizations has been to bring souls into right relations with God. Care for the body has been for the sake of the soul. The eye has been fixed upon the hereafter, and the inspiration has come from out the unseen world.

The newer activities, however, recognize the dignity and worth of the human body and the importance of its needs. Men are not looking so far afield to find God and heaven and duty. Religion is dealing less in futures and laying more emphasis on the present. There is less spurning of earth to gain heaven, and more effort to bring heaven to earth. Men are beginning to see that right relations with man are as real a part of the Christian religion as are right relations with God, and that the establishment of such relations should be a conscious object in religious effort.

Expressed in a word, the nature of the change in religious activities is that they are now beginning to be directed to the uplifting of the whole man instead of a fraction of him, and to the salvation of society as well as to that of the individual.

II. CAUSES OF THIS CHANGE IN RELIGIOUS ACTIVITIES.

1) One of the most potent causes has been the change in civilization, during the past century, from an individualistic to a social type.

Down to the nineteenth century and well on to the middle of it, the power by which the world's work was done was in-

dividual because it was muscular. A man could go apart from his fellows, take his power with him and so do his work by himself. Industrial independence produced an individualistic civilization.

The introduction of the steam engine de-individualized power and centralized it. Workmen could no longer do their work where they pleased, and with little or no reference to each other. They must gather around the source of power. This meant the factory system, the organization of industry, the division of labor, the redistribution of population and its concentration in cities, and the increasing interdependence of the different members of society. Thus, the substitution of mechanical for muscular power, by changing the fundamental conditions of industry, transformed civilization.

Life must always be adjusted to its environments. A radical change in the latter necessitates a corresponding change in the former. When, therefore, civilization changed from an individualistic to a social type, it constituted a new environment, to which the churches must needs readjust themselves. That process of readjustment is now taking place.

The Christian religion deals with man in his relations to God and to his fellows. It is not strange that, when civilization was individualistic, religious teaching and activity should emphasize almost exclusively man's Godward relations; and it is quite natural that, as the close and multiplied relations of a new and complex social order present strange and difficult problems, we should turn to the neglected social teachings of Jesus, and lay new stress on our manward obligations.

2) Again, the change in religious activities which has been pointed out is due in part to the progress of science, which has revealed the interdependence of body and mind, and the influence of physical conditions on spiritual life.

It is found that there is an intimate relation between a bad environment and bad habits; that bad sanitation has not a

little to do with bad morals; that bad ventilation and bad cooking are responsible for much drunkenness.

We are learning that whatsoever society sows that must it also reap; that pauperism and intemperance, vice and crime, are as natural as any other harvests; and that to expect to escape effects without removing their causes is to mock God, who is a God of law.

We are beginning to see that the divine methods are scientific, and that if we are to be effective "laborers together with God," our methods must also be scientific.

3) A third cause for the change in religious activities which is taking place is the re-discovery of the kingdom of God.

The founder of the Christian religion had very much to say about the kingdom of God and very little to say about the church. Until recently his disciples for many hundreds of years have had very much to say about the church and very little to say about the kingdom of God. Many have thought the two were synonymous; and many have supposed that the "kingdom of God" or the "kingdom of heaven," as used in the Scriptures, referred to the home of the blessed dead.

The early Christian conception of the kingdom of God as a new social ideal, yet to be realized on the earth, had nearly faded out of Christian thought, when the social unrest and agitation naturally attendant on the maladjustments of the new civilization, together with the theological return to Christ, resulted in the re-discovery of the kingdom of God—an event, the importance of which men have as yet begun only dimly to perceive.

The religion of a people is the most vital and determinative principle of their civilization. Mr. Kidd has shown that it is the great integrating force in social organization. A vital religious faith means a growing and aggressive civilization, because life is always constructive. A dying religious faith means a decaying civilization, because death is

always disintegrative. An important modification of the religious faith means a corresponding modification of civilization, because a new form of life finds a new form of expression.

Mr. Lecky calls attention to the fact that the brilliant galaxy of philosophers and historians who lived during the first three centuries of the Christian era, and who were profoundly conscious of the decay of Roman civilization, utterly failed to perceive the significance of the new religion, or to suspect that it was creating a new civilization out of the decomposition around them.

In like manner many thinking men to-day fail to perceive the profound importance of the religious changes which are taking place, or to suspect that they are destined to produce, and are even now beginning to produce, a new type of civilization.

So long as the churches lost sight of the kingdom of God, that is, of Christ's social ideal, as something possible of realization on the earth, they confined their efforts almost wholly to fitting men for a perfect society in heaven, and accordingly directed their efforts to the spiritual element in man, giving scant attention to his body and to physical conditions. Thus the churches very naturally looked upon their saving mission as confined not only to the individual but to a fraction of him.

As fast as the churches regain Christ's point of view and come to believe that the earth is to be redeemed from its evils, they see that it is their duty to labor for the realization of Christ's social ideal, and they adapt their methods accordingly; they no longer look upon duty as a circle described around the individual, but rather as an ellipse described around the individual and society as the two foci.

As the churches regain the Christian social ideal and discover that the religion of Christ was intended to deal with body as well as with soul, with society as well as with the individual, they perceive that philanthropy is to be recognized

as a part of religion, not as something to be distinguished from it; and they accordingly extend their activities to include objects which a generation ago would have been deemed quite foreign to their proper work.

As religion is seen to include the whole man and the entire life, the old distinction between the "sacred" and the "secular" disappears, and thus the sphere of the churches' activities is greatly enlarged.

It must not be supposed, however, that the important changes which have taken place in religious activities have always or generally been adopted because they had been reasoned out as logical necessities, demanded by the new conditions of a new civilization, or by the revelations of science, or by the re-discovery of the kingdom of God. Such changes are inaugurated by a practical common sense which does not stop to philosophize. Many adaptations to changed conditions are made by men as they are by animals and plants, unconsciously; and so long as they are unconscious they are slow. Only when change becomes a conscious need and the object of direct effort does the adaptation become rapid.

The important change which is taking place in religious activities is, as yet, by no means general, but it has become sufficiently common to command attention and to demand explanation; and when its significance, its origin and its effects are generally understood, the process of adaptation, which is now well begun, will be rapidly completed. Already has the necessity of new methods to meet new conditions become a conscious need and the direct object of endeavor on the part of many.

III. RESULTS OF THE CHANGE IN RELIGIOUS ACTIVITIES.

1) Among the most obvious of these results is the change which is taking place in church architecture.

The form in which life expresses itself is indicative. Church architecture is no more fortuitous than is the shell

of the mollusk ; and like that shell it is determined by the life which inhabits it. When thought had little to do with religion and the great object of the church service was to impress the senses and to inspire devout feelings, men built the cathedral, which stood like a petrified forest, among whose stony trunks and branches sifted the colored lights of stained windows, while into the lofty arches floated sacred incense mingled with the sweet harmonies of music. The cathedral was a wretched auditorium, but was admirably adapted to the prevailing conception of public worship and the uses of the sanctuary.

Among the peoples where the right of private judgment triumphed and religion came to be regarded not as a matter of feeling, but of life to be controlled by conviction rather than impulse, there instruction naturally became the principal part of public worship, and the church accordingly became an auditorium, where the people met to hear the sermon.

Thus the plain "meeting-house" of the reformed churches was as perfect an expression of the religious life which worshiped within as was the cathedral of the middle ages.

In the "institutional church" there has appeared a new type of church architecture, which differs as widely from the "meeting-house" of the past few centuries as that differed from the cathedral which preceded it ; and this change in the church edifice is the natural and necessary result of the change which is taking place in the churches' conception of their mission and the consequent change in methods.

The audience room of course remains, but it no longer monopolizes the structure. With the larger conception of Christianity which is beginning to obtain, there are added to the auditorium, parlors for the cultivation of the social life, reading rooms, class rooms and shops for intellectual and industrial training, and, more remarkable still, facilities for physical culture and for recreation—a gymnasium, baths, very likely a swimming pool and perhaps a bowling alley,

which not long since would have been deemed sacrilegious.

2) Another and most important result of the change in religious activities is the practical application of religion to every-day life which is beginning to take place.

The "meeting-house," standing apart, surrounded with graves, silent and dark five or six days out of the seven, was fairly indicative of the conception of religion which has commonly prevailed in the United States and is still widely prevalent. Religion has been more associated with death than with life, has emphasized eternity rather than time, the other world rather than this. It has made levies upon a small portion of time and of substance, which it has set apart to "sacred" uses, and has left the remainder to "secular."

The church edifice which embodies the new ideas and exemplifies the new activities is in the most populous neighborhood, and is open every day and every night, seeking to influence the great tides of life which constantly flow past it and into it.

Methods which, like those of the new religious activities, recognize the interdependence of soul and body, are much more likely to be practical and to adapt themselves to the varying conditions and needs of human life than those which ignore either body or soul. A religion which neglects the spiritual life becomes formal and sensuous, while one which ignores the physical life becomes more or less mystical and effeminate, loses its virility and has little influence over men or affairs. The worldly "six bottle" parson of the eighteenth century and the other-worldly and often impracticable parson of the nineteenth century illustrate the two opposite mistakes.

Now the kingdom of heaven, as President John Bascom has said, "is the true synthesis of the universe of God, physical and spiritual." The social idea of Jesus, therefore, establishes a balance, which saves from both Scylla and Charybdis. Attaching due importance to the physical, as the foundation which conditions the intellectual and spiritual

superstructure, saves from impracticability. The ideal does not sail off into the clouds like a balloon, but is grappled to the physical life which is to be lifted. On the other hand, the recognition of the spiritual as that part of man which is noblest and most real, the end for which the physical exists, saves from the downward pull of materialism, which ends in the grossness and corruption of animalism.

These new methods, because they recognize the whole man, touch and influence the entire life.

This new religious activity, springing as we have seen from the necessities of a social civilization and from the re-discovery of the kingdom of God, is directed to social as well as to individual needs. Inspired by a social ideal, which does not acknowledge any necessary or permanent evils, it does not hesitate to attack any and every social ill. There is no fear of dragging the white robes of religion in the mire of politics or of begriming them in the dusty marts of trade. The religion which inspires these activities lives among the people and wears every-day clothes, which are not soiled by the doing of every-day duty.

3) A third result of this change in religious activities is one which follows naturally from the preceding. The churches and other religious organizations which have adopted these new methods are regaining or obtaining a hold on the multitude.

For fifteen years or more, one of the stock subjects for discussion at ecclesiastical gatherings has been "How to Reach the Masses?" The failure of the churches to win the multitude, the extinction of churches in the down-town districts of our larger cities or their removal to save their lives, and the large proportion of the population which is quite alienated from the churches, are facts which have long been as obvious as they were lamentable.

Now it is very significant that the working multitude who shun the churches flock to the meetings of the Salvation Army; and the young men, whose absence is especially

mourned in the churches, fill the rooms of the Young Men's Christian Association ; while both of these classes crowd the so-called institutional churches.

As we shall see later, the churches of this class, the Young Men's Christian Association and the Salvation Army have all adopted these newer methods of Christian work ; and it can be shown that without reasonable doubt their success has been due chiefly to that fact.

The three classes of religious organizations referred to above differ from each other in many particulars, but resemble one another in this, viz., they all alike recognize the whole man, body as well as soul, and adapt their methods accordingly. Precisely at this point they differ radically from the churches of the ordinary type. As they succeed where these churches fail, is it not reasonable to attribute their common success to the methods which they have in common, and which differentiate their activities from those of the old line churches ?

A somewhat prominent representative of the older methods was heard by the writer to say : "The church has no business with a man's dirty face, or with his naked back, or with his empty stomach. The church has just one business with a man, and that is to save his soul." This is a fair presentation of a view which is still very common, and which goes far to account for the churches' loss of influence over the multitude.

An indifferent man cannot be won by a church which he believes to be thoroughly selfish. If that church is quite indifferent to his physical needs, which to him are the most real—perhaps the only ones of which he is conscious at the time—her most earnest and disinterested efforts in behalf of his spiritual welfare are likely to be misunderstood. He believes that the church seeks not him but his, that her aim is not to benefit him so much as to build up herself.

He is not living on a high spiritual plane where he can appreciate the noblest motives. If he were, he would not

need to be sought by the church. His life is largely animal ; he is keenly conscious of physical wants. Spiritual things seem to him unreal, and the church which confines her activities to the spiritual sphere seems to him to be dealing with unrealities and to be far removed from every-day life. If the church would reach him, she must find him on the plane where he is. It is useless to seek him where he is not.

The Christ evidently thought he had some business with empty stomachs. He had business also with the lame, the halt, the deaf and the blind. He sympathized with physical needs and ministered to them ; and it is not strange that when the churches return to the spirit and methods of their Master, the common people hear them gladly, even as they heard Him.

4) A fourth result of this change in religious activities is the drawing of the churches into closer relations.

As social consciousness grows more distinct, the oneness of the life of society becomes more apparent, and the existing competition of the churches appears more and more absurd and sinful. There is an increasing desire on the part of different communions to draw into closer relations. There has been much discussion of cooperation, of federation and of organic union ; but there are many obstacles in the way, some of which are for the present insurmountable.

Differences of church policy are deep-seated. Absolutism and democracy can no more compromise in church than in state, and neither is willing to make a complete surrender to the other. Differences of creed are not eliminated by debate ; discussion is divisive. Radical differences of belief forbid cooperation in distinctively religious work. Protestants, Roman Catholics and Jews cannot unite in evangelistic efforts.

But when we come to social betterment, we find no historic differences separating religious bodies. There is no peculiar Presbyterian treatment of crime. There is no distinctive Methodist solution of the problem of pauperism.

There is no special Baptist method of cleansing the Augean stables of our municipal corruption (though it must be confessed that prolonged immersion would seem to promise better results than mere sprinkling). And this sphere of social betterment, in which this cooperation of the churches is most practicable, is precisely the field in which that cooperation is most needed. Individual regeneration may be successfully undertaken by the individual church, but social regeneration is a task so vast that it demands the united efforts of all organizations which aim at human betterment.

5) One more result of this change in religious activities is its influence on civilization.

The progress of civilization depends on the differentiation of the individual, and the higher organization of society made possible thereby. These are the two feet on which civilization climbs upward. Now one and then the other is put forward. For nearly four hundred years—since the beginning of the German Reformation—the individualizing process has had sway. This has prepared the way for a great social movement, already inaugurated, as we have seen, by the de-individualizing and centralizing of power in the industrial world, when steam was substituted for muscle. The movement toward a higher social organization is well under way, but it is unconscious and blind, and needs direction.

The little child is cared for by others ; he is responsible for nothing ; his progress is as unintended as it is unconscious. But with the dawn of self-consciousness comes the beginning of responsibility, which grows with his growing intelligence, until he is charged with his own destiny.

In like manner, the evolution of the race was unintended and unconscious, secured by natural selection ; but with the development of intelligence, artificial selection was substituted for natural.

Even so, the process of social organization has been, so far as man is concerned, unintended and unconscious, the result of forces for whose operation no man was responsible.

But now society is coming to self-consciousness, and with its dawn comes a new responsibility. The social movement must now get eyes ; it must become intelligent, conscious and purposeful.

As we have already seen, religion has been the great integrating force in society, even though its aim has been individual, rather than social, salvation. When, therefore, religious activities are consciously and intelligently directed to social betterment, we may reasonably expect that a profound impulse will be given to social progress and thus to civilization.

IV. Having considered the nature, origin and results of the change which is taking place in religious methods, let us turn to some illustrations of these new activities.

1) *The so-called institutional church.* About a dozen years ago, President W. J. Tucker, in an address at Berkeley Temple, Boston, characterized the newly adopted methods of that church as "institutional." A morning paper, reporting the address, referred to Berkeley Temple as an "institutional church" ; and this is said to have been the origin of the name now applied to a well defined class of churches—a name which no one likes and everyone uses.

The ordinary church would seem to exist primarily if not solely for purposes of worship, which it offers at stated intervals. Its work, if it engages in any, has for its immediate object the increase of the number of its worshipers or their edification. Its benevolences are, for the most part, to multiply the number of churches like itself ; and its charities are incidental.

While the institutional church does not neglect worship, it has an enthusiasm for service. Probably its spirit and aims cannot be better expressed than in the words of the platform of the Open and Institutional Church League : "Inasmuch as the Christ came not to be ministered unto, but to minister, the open and institutional church, filled and moved by His spirit of ministering love, seeks to become the center

and source of all beneficent and philanthropic effort, and to take the leading part in every movement which has for its end the alleviation of human suffering, the elevation of man, and the betterment of the world.

"Thus the open and institutional church aims to save all men and all of the man by all means, abolishing so far as possible the distinction between the religious and secular, and sanctifying all days and all means to the great end of saving the world for Christ."

Doubtless this language might for the most part be applied to the churches of the apostolic age, and perhaps there have been some churches in every age of the Christian era which might be fitly described in the above words. Certain it is that a generation ago there were a few churches in New York which were institutional in everything but name.

In recent years, however, the re-distribution of population has created new conditions both in city and country, which have demanded a readaptation on the part of the churches; and many, by virtue of adjusting themselves to a new environment, have become institutional.

In this adaptation to a changed environment we discover the distinguishing characteristic of the institutional church, viz., the fact that it assumes certain functions of the home.

The church and the home are the two great saving institutions of society. When the home is what it ought to be it affords such an environment as makes possible a normal development of body and soul. When it is pretty much all that it ought not to be, and is corrupting to both soul and body, the appeals of the church to the spiritual life are to little or no purpose.

Hence, as the tenement house has been substituted for the comfortable home, the churches working on the old lines have either died or have followed the well-to-do class up-town. Thus in New York, while 200,000 people moved in below Fourteenth street, seventeen Protestant churches of the old type moved out.

The institutional church, however, succeeds because it adapts itself to changed conditions. It finds that the people living around it have in their homes no opportunity to take a bath; it therefore furnishes bathing facilities. It sees that the people have little or no healthful social life; it accordingly opens attractive social rooms, and organizes clubs for men, women, boys and girls. The people know little of legitimate amusement; the church therefore provides it. They are ignorant of household economy; the church establishes its cooking schools, its sewing classes and the like. In their homes the people have few books and papers; in the church they find a free reading room and library. The homes afford no opportunity for intellectual cultivation; the church opens evening schools and provides lecture courses. As in the human organism, when one organ fails, its functions are often undertaken and more or less imperfectly performed by some other organ; so in the great social organism of the city, when the home fails, the church sometimes undertakes the functions of the home. Such a church we call "institutional."

The conditions which demand such service of the church are on the increase. In the city, the home is disappearing at both social extremes. Many of the rich flit from continent to continent, from one latitude to another. They have more stopping places than there are seasons. They have so many houses that they have no home. The hotel population is rapidly growing.

At the other social extreme, more and more must rent, because as cities become more populous, real estate appreciates in value until its price becomes prohibitory to an ever increasing number. The larger the city, the larger is the percentage of the tenement population. Of course there may be a true home in a tenement, but generally speaking, the increase of the tenement and restaurant population means the decrease of homes. Moreover, as the standard of living rises, an increasing proportion of young men do

not marry. And, again, the opening of many industries to women mars many a home by taking the mother to the factory, and prevents the founding of many new homes by making an increasing proportion of women independent of marriage.

Thus there is an increasing population, which, though by no means shelterless, is really homeless, and can enjoy the restraining, elevating and saving influences of the home only as they are provided by the church. To meet these necessities of modern civilization institutional churches are likely to be multiplied.

Nor are these necessities peculiar to the city. As extreme heat and extreme cold alike produce a blister, so the congestion of population in the city slum and its depletion in the country district produce much the same results in the home. Poverty and its effects are the same in either case. The isolation of a crowd is quite as great as that of the wilderness; and the resulting lack of mental and moral stimulus is as marked in the lonely country as in the crowded slum, while a corresponding growth of animalism appears in both.

That institutional methods may be successfully adapted to both city and country will appear from the illustrations which follow.

The activities characteristic of institutional churches in general may be classified as educational, social, recreational, and charitable. As the genius of the institutional church consists in adaptation to its environment, the most pronounced activities of a given church depend on the most pronounced needs of its locality. Where the neighborhood is largely occupied by boarding houses filled with young men and women, who have come to the city from country homes and who have secured positions as clerks, the work on which special emphasis is laid is likely to be educational and social, as in the case of Berkeley Temple, Boston. If the population is composed chiefly of men engaged in heavy

manual labor, the principal demand will be not for educational facilities but for baths and recreation, which are special features of the work of the Jersey City Tabernacle. If there is a thoroughly mixed population, with every sort of need, such as surrounds St. Bartholomew's parish house in New York, the church responds with every sort of helpful ministration.

The limits of this monograph forbid a descriptive list of the institutional churches of the United States. The most that can be attempted is an outline of the many sided work of one or two, to give some idea of its scope and of its diversified character, and then mere mention of exceptional activities here and there. Such activities are noted, not because they are necessarily the principal features in the work of the churches to which they belong, but because, being exceptional, they may prove of special value by way of suggestion.

St. Bartholomew's Church (Protestant Episcopal), New York, affords the best illustration of a church ministering in a thousand ways to the numberless needs of the heterogeneous population of a great American city.

There are eighteen different services on Sunday in the church and parish house, which makes the Sabbath quite a day of rest, as the average number of gatherings of all kinds for the remainder of the week is thirty-two daily.

The schedule of services, meetings of all sorts, classes, and the like, for each day in the week shows a total of 212 for the seven days. Six of these, however, are for a portion of the year only, and ten are irregular, occurring only once or twice a month.

Among the Sunday services in the Parish House are one in German, one in Armenian and one in Chinese; there are also regular services in the Swedish Chapel. Rescue mission work, with its nightly meetings, has been a prominent feature of the Parish House. The aggregate attend-

ance upon these meetings has been as large as 120,000 in a year, and 5000 have professed to seek the new life.

There are 2146 communicants in the entire parish. Among the 152 confirmed the past year were eight Chinese, seventeen Armenians and forty-five adult Germans. Surplined choirs of each of the above nationalities render the music in their own language in the missions.

In the Parish House Sabbath School, which shows a total enrollment of 1408, there are classes taught in Armenian, Syriac and Turkish as well as in English.

This institution is proving to be an alembic in which many foreigners are being transmuted into Americans. The Armenian helper writes: "I am proud to say that as a good citizen I taught twenty-one Armenians, my old countrymen, the United States Constitution."

Clubs are a large part of the work. Membership in the Girls' Evening Club entitles the holder to "the use of the club-rooms and library; access to the large hall every evening after nine o'clock, to the physical culture classes, lectures, talks, entertainments, discussion class; glee club, literature class, English composition class, the Helping Hand Society, Penny Provident and Mutual Benefit Funds; the privilege of joining one class a week in either dressmaking, millinery, embroidery, drawn work, system sewing or cooking, and also, by paying a small fee, the privilege of entering a class in stenography, typewriting, French or book-keeping." Corresponding advantages attend membership in the other clubs. There are some 2,200 persons in the Men's, Boys' and Girls' Clubs, the Armenian Club and the Chinese Guild.

In addition to these many facilities for self-development, there are five circles of King's Daughters and various missionary societies to teach unselfish service.

A unique feature of the Parish House is its Roof Garden, on the top of nine busy stories. In long boxes the children plant flowers and vegetables. These have a background of

lilac bushes, syringa, dulcia and other flowering shrubs in large tubs, while morning glories, honeysuckle and ivy climb on the fence which surrounds the roof. The garden is used for the instruction and amusement of the children in the kindergarten when the weather permits, and is open evenings to various societies.

These children of the brick-and-mortar city are often seen to kiss and caress the flowers which they cultivate in the Roof Garden. The bringing of a bit of country to the Parish House was suggested by the fact that a little girl, while crossing a bridge over a railroad track, dropped her only rubber doll on a moving train "so that it could see the country."

A Holiday House at Washington, Conn., gave more than a bit of country to 343 girls last summer.

The Fresh Air work of the parish gave 2046 outings, mostly to children and tired mothers.

The Tailor Shop provides temporary work for many out of employment, and supplies garments for children in the Sabbath School and the Industrial School. There were 3,625 garments received, made over and repaired or made of new materials the past year. There were \$483.93 received for sales, and 415 garments were given away. In addition to the above, the Benevolent Society provided 1,624 garments, of which 680 were given away and 568 were sold.

The report of the Penny Provident Fund shows \$1,844.82 received from 2,648 depositors.

One of the most beneficent of St. Bartholomew's many ministries is the Employment Bureau, which is conducted on business principles. During the past year, 1866 situations were filled in the domestic department, 186 in the mercantile department, 48 in the professional department, and 459 in the mechanical and labor departments. Half a hundred nationalities were represented by the applicants to this bureau.

The Clinic had 7693 new patients last year. The total number of consultations was 24,146. The total number of prescriptions written was 13,607, of which 1,298 were free.

A Loan Association has saved many from falling into the hands of Shylock. Like the Employment Bureau, it is conducted strictly on business principles. It received \$70,390.55 during the year, and disbursed \$63,375.12. It makes loans to the poor at much lower rates than they could get elsewhere, and it is so managed as to pay running expenses.

The amount expended by the church on the Parish House during the year was \$52,002.78, and the total amount given for home expenditure and for benevolent contributions was \$208,242. Including engineers, porters, etc., there are, all told, about fifty salaried workers at the Parish House.

The splendid work of St. Bartholomew's shows what can be done when occurs the rare combination of a big brain, a big heart and a big treasury. Few churches, however, are both able and willing to make so large an expenditure. It is, therefore, desirable to give some account of a diversified and eminently successful work on which is expended no more than the average church in the city is quite able to raise.

Morgan Chapel (Methodist Episcopal), Boston, is situated in a thickly settled tenement district and aims to be, as nearly as possible, self-supporting. It is an old church into which was grafted the new life five years ago.

Bathing facilities being greatly needed in that locality, a number of baths were placed in the basement of the church. A nominal charge of five cents made them more than self-supporting, and they have yielded a surplus for the Reading Room.

A School of Handicraft has been opened, in which printing, cobbling, tailoring, dressmaking and carpentry are taught by volunteer instructors. After a time this school developed into a cooperative industrial work, which has been a great benefaction to many hundreds of necessitous people.

Unemployed women are set to work repairing garments which have been contributed and which are afterward sold. A variety of employments is furnished for idle men. An Employment Bureau finds permanent situations for many.

Instruction is given in vocal, and in all kinds of instrumental music, by teachers from the various Boston conservatories.

A Day Nursery and Kindergarten are in successful operation.

A Children's Industrial School meets Saturday afternoons, with an average attendance of about 300.

A Medical Mission has been established, and several physicians of the city have volunteered their services.

To counteract the attractions of the saloons, which get a large part of the weekly wages of so many, a free concert is given every Saturday night, after which there follows a temperance meeting until eleven o'clock, which is the hour for closing the saloons.

Last year the entire expense for fuel, lights, janitor's service, pastor's salary, assistants, etc., apart from the contributions of the Chapel, was only \$3,180.42.

The pastor writes: "Many churches hesitate to undertake any institutional church methods for fear of the great expense involved. The success that has attended the introduction of new methods at Morgan Chapel, and the small increase in the expenses of the work, may encourage others in similarly difficult fields to venture in like directions."

Audiences have greatly increased, and the membership of the church has been so enlarged that the augmented revenue therefrom nearly suffices to meet the expenses of the enlarged work. There were more conversions last year in Morgan Chapel than during any one of the previous fifty years of its history; which is especially significant in view of the fact that during the same year the Methodist Church throughout the world lost upwards of 20,000 members.

Having seen what can be done with a short purse as well as a long one, let us glance now at some of the exceptional features of various institutional churches.

The Judson Memorial Church (Baptist), New York, has, in addition to the ordinary departments of a well equipped institutional church, a temporary home for children. It has also an apartment house, built in architectural harmony with the church, which yields \$10,000 a year, as an income from a permanent endowment for its missionary, philanthropic and educational work.

Trinity Church Parish (Protestant Episcopal), New York, controls nine churches, and for the work of these nine centers "there are twenty-six ordained men, besides lay readers, secular teachers, deaconesses and all manner of co-assistants."

St. George's (Protestant Episcopal), New York, is a great church full of manifold and fruitful activities. A Deaconess House is a part of its equipment. An exceptionally thorough Industrial Trade School affords a three years' course in carpentry, drawing, printing, plumbing and manual training. The number of scholars enrolled is 297. A seaside cottage at Rockaway Park, L. I., gave an outing last summer to 5,770 adults and 5,964 children. The church runs a special car out to Rockaway early in the morning, five days in the week, during the heat of the summer, and back to the city in time to enable the mothers to cook supper for husbands and sons.

More than one-half of the people connected with this church live in tenement houses.

The Fifth Avenue Baptist Church, New York, has a Day Nursery and Kindergarten which reports for the year an aggregate attendance of 6,997. The Fresh Air work of the church provides for a two weeks' outing at "Old Oak Farm," where 250 children are entertained at a time.

Grace Church (Protestant Episcopal), New York, has in its corps of assistants, deaconesses who make upwards of

6000 calls in a year, also a trained nurse. The Houses of Anna and Simeon, homes for aged people, the House of the Holy Child, a shelter for children, and a hospital are among the beneficent institutions of this church. A somewhat exceptional provision for helping the needy to help themselves is the Parish Laundry. A weekly average of thirty-seven women, and altogether 140 different women were employed during the year. They laundered 221,400 articles. The revenue, besides paying working expenses and providing for the improvement of the plant, yielded a handsome sum for benevolence.

The Church of the Ascension (Protestant Episcopal), New York, in its charitable department provides a parish physician, a parish pharmacist, and legal aid for the poor. In addition to ordinary educational methods it arranges excursions to art galleries, factories, museums, etc.

The Pro-Cathedral (Protestant Episcopal), New York, is in the most crowded district in the world. The vicar estimates that within one hundred yards of his study there are 10,000 people. The most exceptional feature of the Pro-Cathedral is the fact that its band of clergy, deaconesses, laymen and laywomen occupy a tenement house in the midst of the people whom they serve, thus constituting a church settlement.

The Marcy Avenue Baptist Church, Brooklyn, has a library open every day in the week except Sunday. This church organized the second Sunday School Kindergarten in existence.

The Jersey City Tabernacle (Congregational) makes a specialty of recreation and furnishes some thirty different forms of outdoor sports.

The Baptist Temple, Philadelphia, has a hospital, The Samaritan, where over 6,000 cases have been treated in a single year. The most exceptional work of this church, however, is educational. The Temple College is unique. Its catalogue states that "it includes courses from the kin-

dergarten grades up to the highest college grades, besides the Law School and the Theological Seminary"—thirty-two courses in all. These courses are given to the young people of the city at a nominal fee, and at hours convenient for those who may be employed day or night. The number of students reported for the year 1897-98 was 3,545, not including those attending public lectures, who raised the total to 7,395.

Westminster Presbyterian Church, Buffalo, has a social settlement with eight resident, and eighty non-resident, workers. During the past year the residents have made upwards of 4,000 calls on their neighbors and received 2,800 calls from them. The usual work of the social settlement is successfully prosecuted. The church also has a Diet Kitchen.

Most institutional churches occupy buildings intended originally for purposes of worship only, which are ill adapted to modern methods. Pilgrim Church (Congregational), Cleveland, so far as the writer knows, was the first to embody the institutional idea in a building beautifully adapted to the new needs. The church membership doubled in five years.

In Elyria, Ohio, there is a church (the First Congregational) together with a Young Men's Christian Association under the same roof. This unique arrangement has thus far developed no friction with the other churches.

The Fourth Avenue Baptist Church, of Pittsburg, Penn., has a visiting nurse. Total number of visits made by her in three years, 7,787; number of patients nursed through various sicknesses, 747. Of these, forty-three were cases of typhoid fever, and fifty-four were cases of pneumonia. She secured the admission of 116 persons to the city hospitals and ten to the city home.

This church has a Deaf Department and a Red Cross Auxiliary. It has also perhaps the only Toy Mission in the world, whose object is to bring gladness into the lives of

poor children at Christmas time by furnishing them with second-hand toys. The first year, twenty-five children were cared for; the next, 200; the next, 1600; and the fourth year, 3,600, when over 600 people participated in the work, and twenty-five institutions in Pittsburg and Allegheny shared the gifts.

One of the children's rooms in the church is hung round about with copies of Tissot's pictures.

Saint Stephen's Mission, Saint Louis, Mo., is exceptional in being under diocesan instead of parochial control. It is a church settlement doing the ordinary social settlement work, with a Christian purpose which is frankly avowed.

In the basement of the building are clothing department, kitchen and laundry (for classes in domestic economy), gymnasium and baths, vacation play-room and boys' library. On the first floor is the main auditorium (for lectures, concerts and Sunday services), flanked on the west by a chapel for daily worship, and on the east by a room of the same size as the chapel. Rolling partitions permit either individual or common use of these three rooms. The total seating capacity is 600. There are also on this floor the sacristy and choir room, the men's club and library, living rooms for the resident head of the settlement work, and women's bath and toilet room. On the second floor is a five room dwelling for the pastor and family, together with a roof garden. The cost of the building was \$16,000.

St. Luke's Church (Protestant Episcopal), Orlando, Fla., has a hospital, which is for all classes. The only questions asked are, "Are you sick?" "Are you destitute?"

The Ninth Street Baptist Church, Cincinnati, is quite exceptional in the fact that it has seven chapels, at each of which it carries on institutional work. Its nine buildings (including Church and Parish House) are kept open day and night, and in them are held over eighty different services every week, one of which is for deaf mutes. These nine buildings have a seating capacity of 4,000.

Over 800 girls attend their seven sewing schools. There are eight classes in which about 500 boys and girls receive free lessons in singing during the winter.

There is a gymnasium for women as well as one for men and boys.

They send medicines, physicians, nurses, flowers and fruit to the needy sick. They have also a hospital corps and an ice water fountain.

The pastor writes: "We believe that our institutional methods have induced multitudes to attend our church and seven chapels." He usually preaches to 1000 or 1200 people Sunday nights, while the church sustains, at the same hour, six other preaching services. The church has 1700 members; and has received 1161 in seven years, 868 of these on confession of faith.

To illustrate the practicability of the institutional church in the village, it may be well to dwell a moment on the work of the Union Church (Congregational) at North Brookfield, Mass. There are less than 2500 Protestants in the town, and they are divided among three churches.

When the new methods were inaugurated between eight and nine years ago, the Union Church was about thirty-five years old, and much overshadowed by its flourishing mother church of the same denomination just across the street, which had a membership more than three times as large.

The conditions under which the new work was begun were extremely discouraging, but the new pastor recognized the opportunity which awaits the right man in almost every village where institutional work has not already been inaugurated.

After several months of preaching, which prepared the way, an invitation was given to all voters to meet in the vestry of the church to discuss the interests of the community. The result was the organization of "The Enterprise Club," which met fortnightly in the church vestry to discuss the general welfare. "Among the subjects espe-

cially emphasized were the municipal ownership and control of public works, good roads, music in the public schools, electric lights, a system of water works for the village, and public spirit on the part of those with money and no children."

Eight or nine boys were organized into "The Union League" for "mental, moral and physical culture." Soon after a club of girls was formed, under the name of "The Guild of the Helping Hand." "The Manse Literary Club" was organized under the direction of the pastor's wife, for young women. A Historical Society was formed, including the whole region, which is exceptionally rich in Indian and colonial history. This society now has nearly 600 members, and its meetings are of lively interest.

Four years after the first club was formed, music had been introduced into the public school; the town had put in a system of water works, costing some \$200,000; childless people had erected a building for a free public library and reading room at a cost of about \$40,000; and a memorial church, costing over \$60,000, had been built, especially adapted to institutional methods. The gymnasium connected with the new church building is one of the most complete in all that region.

A night school, in which seven different nationalities were instructed in ten different branches, was so successful as to outgrow the church parlors and take possession of the high school building. The teachers and superintendent gave their services.

It has been found necessary in the work of the church to rely almost wholly on local talent and volunteer service; and this will prove generally true in country communities. More of such talent, however, can be found and utilized than might be supposed.

The pastor of the Union Church writes: "The financial question is always the great bugbear; but in the Union Church it has been found no more difficult to raise the few

hundreds additional required for heat and janitor's service to keep the building open and warm all the week than it was to keep the old church going along the old lines."

There are other instances of the successful application of institutional methods in small communities.

As the value of these methods is recognized, they are gradually being adopted by churches which would not think of calling themselves institutional. Thus in the Boroughs of Manhattan and the Bronx, New York, out of 488 Protestant churches, 112 are engaged in one or more forms of institutional church work.*

An analysis of these activities may be of interest.

Five churches are engaged in settlement work, thirty-two in fresh air work, one has a bowling alley, two have athletic clubs, one has a billiard room, five have societies to provide rational amusement, seven have baths, two have swimming baths, seven have gymnastic classes, and eighteen have gymnasiums. Eight churches have dispensaries, two have dispensaries and clinics, one has a medical aid society and two have hospitals. Two have loan associations, two have wood yards, two have coal clubs, twenty-one have employment societies, twenty-seven have penny provident banks, four have lodging houses, seventeen have day nurseries, one has an ice water fountain, one has a soup booth, three have coffee booths, four have flower missions, three have flower and fruit missions, one has a legal aid society and one a civic club. One church has a trade school, one has a laundry school, two have night schools, three have manual training

*Out of 56 synagogues, four report one reading room, one library, three kindergartens, one industrial school and two day nurseries. Out of 103 Roman Catholic Churches, eight report two reading rooms, eight libraries, two athletic unions, two kindergartens, and one day nursery.

Repeated efforts have failed to elicit any information as to what the Roman Catholic Church is doing throughout the United States in behalf of social betterment.

schools, ten have cooking schools, ten have kitchen gardens, forty have kindergartens, forty-four have sewing schools, forty-eight have industrial schools, twenty have libraries, and twenty-five have reading rooms.

Thus 112 churches are employing these 397 agencies for social betterment—forty-one more than were employed in the year before.

The question arises as to the relative effectiveness of these new methods, compared with the old. It is significant that the denomination in New York which is using institutional methods far more commonly than any other is growing far more rapidly than any other, and that in this denomination the churches which are growing fastest are institutional. Thus of the 112 churches referred to above as using one or more of these institutional agencies, the Episcopal denomination furnishes forty-two, and eighteen other denominations furnish seventy. In the Episcopal denomination, the three great institutional churches, St. Bartholomew's, Grace and St. George's, made the largest growth last year. Speaking broadly, the churches in New York City which are doing most for social betterment are growing most rapidly.

Of course many and complex causes operate to increase or diminish church membership, but taking a large number of churches together, their growth will measure with approximate accuracy their adaptation to existing conditions and the effectiveness of their methods.

Let us then take an entire denomination and compare the churches which are institutional with those which are not. The comparison shall relate to spiritual results, which many believe should be the sole aim of the church, and which many fear will suffer by the recognition, on the part of the church, of physical and social needs.

Of course there are no statistical measures of spiritual values. The best practicable measure of the spiritual work of a church is found in the number of additions to its communion on confession of faith; and to this point our com-

parison shall be confined. Such a comparison, be it said, is hardly fair to the institutional churches, because they are generally located in the hardest fields, where the old line churches have utterly failed, many having died and others having run away to save their lives.

Again, it should be said that such a comparison at the present time would not be scientific, because the so-called "family" church is shading into the institutional. As we have seen, the success of these methods is leading many churches, which would not be classified as institutional, to adopt one or more institutional methods.

We will, therefore, go back a half dozen years, when the line of demarcation between the two types was more distinct. The Congregational denomination is chosen, partly because, at that time, it had perhaps more institutional churches than any other, and partly because its data are more available.

We find on examination that the average Congregational institutional church had precisely six times as many additions on confession of faith as the average church of the denomination, while all that was accomplished by the former in behalf of cleaner and healthier bodies, better informed minds and a more wholesome social and civil life was a bonus, over against which the old line churches had nothing to show.

The Miami Association of Ohio, which includes the Baptist churches of Cincinnati and vicinity, affords data for an instructive comparison of the effectiveness of the old methods and the new.

The Association embraces twenty-three churches, two of which, the Ninth Street and the Lincoln Park, are institutional; the remaining twenty-one follow the old lines of work. These two institutional churches, being "down town," are subject to all the disadvantageous conditions which have either killed or driven away so many churches that adhered to the old methods. It should be remarked in this connection that the "down town" districts of Cincin-

nati are peculiarly difficult to cultivate. Probably no city in the United States affords stonier ground. But notwithstanding the unequal conditions, out of 325 additions to the twenty-three churches, on confession of faith, last year, 209 were received by these two churches which have adopted new methods.

So far as numerical strength is concerned, three churches stood still and eleven lost, in the aggregate, ninety-four more than they gained. The remaining nine gained 271 members more than they lost, making the total gain of the Association 177.

The gains of the two institutional churches were 181 more than their losses, which are always heavy by reason of many removals to the suburbs. It appears, therefore, that without these two churches, the membership of the Association would have been smaller by four at the end of the year than it was at the beginning.

But we cannot judge of the exact value of these figures without a comparison of percentages. The membership of these two churches is thirty-seven per cent. of the entire Association membership. Their church property is thirty-five per cent. of the church property of the Association ; and it should be added that the membership of neither of the two is as wealthy as that of several of the other churches. Their home expenses for the year, not including expenditures for improvements and repairs, were twenty-seven per cent. of the home expenses of the Association. The additions to these two churches by baptism were sixty-four per cent. of all the additions by baptism to the churches of the Association ; and their gains above all losses were sixty-six per cent. of the Association gains.

Of course an extraordinary personality may produce extraordinary results along the old lines of work. But the results are due to the personality rather than to the methods, whereas the results which accompany the new methods are evidently due to the methods themselves ; and as the meth-

ods are capable of general adoption, so the results are capable of indefinite multiplication.

A marked advantage of the newer methods is that their great variety makes it possible to utilize a much larger number of volunteer workers. If spiritual results are the only aim of the church, only a small proportion of the membership will be deemed sufficiently skilled to engage in such delicate and difficult work. The great majority of the church, therefore, leave its work to its salaried officials who have been specially trained for it. But in the institutional church, which is interested in the entire circle of human life, almost every kind of valuable knowledge and skill may be utilized. The mechanic, who could never lead a meeting, or "speak to edification," and who perhaps is ever dumb on the subject of religion, is glad to instruct a class of young fellows in carpentry or forging. Many who, like Humboldt, think they have "no talent for religion" are both able and glad to do a thousand things helpfully related to every-day life; and doing these things for the church and in the name of the Master cultivates their religious life, and tends to inspire their every-day activities with the religious motive. Thus the institutional church naturally becomes a hive of activity, which is as conducive to spiritual health as to numerical growth.

2) *Organized denominational effort for social betterment.* Such effort is carried on, for the most part, in connection with schools and colleges.

The Baptists have twenty-six schools among the colored people, which have an enrollment of 4,755 students of both sexes, 1,614 of whom receive systematic instruction in some line of industrial work. Including what the negroes themselves contributed, there was expended on these schools in 1897-98 the sum of \$236,910.

At Shaw University, Raleigh, N. C., students in manual training and carpentry are taught the use and care of a great variety of tools and the principles which underlie their

use. Instruction is given in woodwork, ironwork, drawing and architecture, housekeeping, sewing and cooking.

At Spelman Seminary, Atlanta, Ga., all boarders are required to learn housekeeping in all of its branches. The time of ten teachers is mainly devoted to this object. Every pupil is required also to learn plain sewing. There are courses in millinery, printing and dressmaking, and two courses in nursing, non-professional and professional.

The Congregationalists have seventy-six schools for colored children and youths, of which twenty-six are common schools, forty-five are normal and graded schools, and five are chartered institutions.

The total number of students in these schools is 12,428.

The college at Talladega, Ala., has a farm of 300 acres ; that at Tougaloo, Miss., one of 600, and the school at Enfield, N. C., one of more than 1,000 acres.

At these institutions scientific and practical instruction in agriculture, horticulture and cattle-raising is given. Woodwork, ironwork, printing, architectural drawing, the domestic sciences and nursing are also taught.

The Congregationalists have six Indian schools, with 368 pupils. Lessons are given in blacksmithing, carpentry, printing, farming, cooking, nursing, sewing and housekeeping.

On its work among the negroes, Indians, Chinese and Mountain Whites, which is in large measure industrial, the denomination expended last year about \$300,000.

The Methodists find that in all their schools the greatest demand is for enlarged facilities for manual training. The total number of students in their industrial schools is 2,640, most of whom are colored. These receive instruction in shoemaking, wagonmaking, cabinetmaking, baking, tinning, painting, farming, ironworking, blacksmithing, stonecutting, laundering, printing and carpentry ; also in millinery, dressmaking, cooking, housekeeping and sewing.

The organized work of the Methodists in behalf of social betterment is not confined to their industrial schools. At the seaports of Boston, New York and Philadelphia they have established homes for immigrants. Temporary help is afforded, many lodgings are provided, thousands of meals are furnished, situations are often found, young women are guarded and forwarded to their friends, the sick are cared for, and much good reading matter is distributed.

The same spirit of practical helpfulness is shown in the homes established in inland cities also.

Deaconess' Homes, in addition to the above, are now found in many cities. Besides aiding pastors in distinctly religious work, the deaconesses give industrial training, conduct kindergartens, nurse the sick and teach hygiene.

It may be added in this connection that the number of deaconesses is increasing, not only among the Methodists, but also among Episcopalians and Lutherans.

The Presbyterians are sustaining among the negroes sixty-two day schools, in which there are 8,109 pupils, one university, eight academies, five seminaries for females and twelve co-educational schools. There is more or less industrial training given. They expended for the freedmen last year \$132,578.

They have also eight industrial schools among the Indians, and thirty schools, day, boarding and industrial, among the mountaineers of the South.

The Episcopalians have fifteen industrial schools among the colored people of the South, with an enrolment of 1092 pupils. Two of these institutions are worthy of special mention, St. Augustine's School at Raleigh, N. C., and St. Paul's School at Lawrenceville, Virginia. The former had last year 317 pupils. The property includes 111 acres, on which there are seven buildings. The girls are instructed in sewing, dressmaking and cooking. The young men are trained as carpenters, bricklayers, stone-masons and tanners.

There is connected with the institution a hospital, together with a training school for nurses.

St. Paul's School had 310 pupils last year. The girls are trained in the domestic arts, and for the industrial training of men and boys there are the following departments: cabinet making, blacksmith shop, wheelwright shop, printing office, shoemaking, plastering, saw-mill, carpenter shop, brick-yard, farm and dairy. The farm has 197 acres, and is in charge of a farmer, who has both a theoretical and practical knowledge of agriculture. The industrial department of this school is largely self-supporting.

The Episcopal Church has work among the Indians in twelve states and territories. This work recognizes physical as well as spiritual needs.

This church also reaches out a helping hand to girls and young women by means of the Girls' Friendly Society. The society originated in England in 1875. The first branch in America was formed two years later. The organization now extends to many countries, and includes nearly 300,000 members, of whom more than 21,000 are in the United States.

Its objects are: "1. To bind together in one society, church women as associates and girls and young women as members, for mutual help (religious and secular), for sympathy and prayer. 2. To encourage purity of life, dutifulness to parents, faithfulness to employers and thrift. 3. To provide the privileges of the society for its members, wherever they may be, by giving them an introduction from one branch to another."

Members of the society receive training, industrial, domestic and literary, and are taught the care of their health.

Six Diocesan Branches have Holiday Houses, whose privileges are shared alike by associates, who must belong to the Episcopal Church, and members, who may be of any creed.

The interest of the Episcopal Church in industrial betterment was shown by the organization of CAIL.

The Church Association for the Advancement of the Interests of Labor was founded in the city of New York, May, 1887. The Right Reverend F. D. Huntington, Bishop of Central New York, is President, and Right Reverend Henry C. Potter, Bishop of New York, together with others, constitute the board of Vice-Presidents. The secretary is Miss Harriette Keyser.

The CAIL, as they shorten their title, believe that the clergy and laity of the church should become personally interested in the problems of the day, and should inform themselves of the nature of the issues presented, so that they may be prepared to act as the exigency of the situation may demand.

The association sets forth the following principles and methods of work for its members :

PRINCIPLES.

- " 1. It is the essence of the teachings of Jesus Christ that God is the Father of all men, and that all men are brothers.
2. God is the sole possessor of the earth and its fulness ; man is but the steward of God's bounty.
3. Labor being the exercise of body, mind and spirit, in the broadening and elevating of human life, it is the duty of every man to labor diligently.
4. Labor, as thus defined, should be the standard of social worth.
5. When the divinely intended opportunity to labor is given to all men, one great cause of the present widespread suffering and destitution will be removed.

METHODS.

1. Prayer.
2. Sermons, setting forth the teachings of the gospel as

the guide to the solution of every question involved in the interests of labor.

3. The proper use of the press and the circulation of tracts as occasion may require.

4. Lectures and addresses on occasion when the interests of labor may be advanced.

5. The encouragement by precept and example of a conscientious and proper use of the ballot."

The association, while advising and advocating the organization of labor in trade unions, is equally willing to aid unorganized labor in its legitimate struggles. It believes in the efficacy of just and humane legislation for the benefit of labor, and gladly joins in every attempt to secure such legislation or enforce labor laws already on the statute books.

In 1893 it was successful in establishing a permanent Board of Conciliation and Arbitration, under the chairmanship of Bishop Potter. It has also aided in efforts to minimize the evils of the sweating system and the tenement house abuses. It assists factory and workshop inspection, both by state officials and by its own officers. ✓

In 1899 a special organization, known as the "Actors' Church Alliance," was promoted by the CAIL, with the object of aiding the theatrical profession in their struggle against being compelled to work seven days in the week, as well as to improve the standing and condition of the profession. The "Hammer and Pen" is the monthly organ of the association.

As we have seen, the greater part of the organized denominational work for social betterment is in behalf of negroes and Indians. Attempts to elevate them soon revealed the necessity of improving their material condition. Late slaves and savages needed something in addition to moral and intellectual training, if they were to know how to live; and that additional training the churches are gladly giving.

✓ There are multitudes in our great cities equally ignorant of the laws of life, equally incapable of wholesome living. The question naturally arises, why not provide needed training for *all* who need it, white as well as black and red? What the denominations are doing for negroes and Indians is a recognition of the principle that the churches are concerned with the social well-being of men. Doubtless the time will come when they will make a consistent application of that principle. The Deaconess' Homes, the Girls' Friendly Societies, and the Immigrants' Homes, referred to above, which are carried on, not by individual Christian endeavor, but by organized denominational effort, are a step in that direction.

3) *The Young Men's Christian Association.* The redistribution of population during the nineteenth century has been marked by an extraordinary exodus of young men from the farms and their concentration in cities. The industrial, social and moral changes involved therein created new necessities, which opened a wide door of opportunity to the Young Men's Christian Association.

Formed in the United States about the middle of the century, the associations did not discover and clearly define their proper sphere for twenty years or more. During this experimental period they undertook precisely the same work that active churches were doing, and by the same old methods. They organized evening and mission Sunday schools, they engaged in city mission visitation and tract distribution, and held gospel meetings in hospitals, almshouses and homes for the aged. Apart from reading rooms and a few libraries, they recognized no needs except spiritual. They had not learned to confine their efforts to young men, nor had they developed new methods of work.

It is significant that after nearly twenty years of such efforts, the associations had not twenty general secretaries, had erected no buildings, and had acquired no permanent

property. Success was still problematical ; the organization was still on trial.

In 1870 it was an open question whether or no the efforts of the associations should be confined to young men, and whether they should include what was known as the "four-fold" work—spiritual, intellectual, physical and social.

The very marked success of those associations which adopted this new policy, as compared with those which rejected it, soon demonstrated its superior wisdom. Those states in which this policy prevailed multiplied local associations, erected buildings, and secured general secretaries. In other states, the organization made little progress until the new policy was adopted, which change was at once attended with the same success that had followed the new methods elsewhere.

New England, for example, was slow to accept the change of policy, and as late as 1877, almost a generation after the organization of the movement, these six states could boast only five paid secretaries and a single association building. By 1880, however, the "four-fold" work had been generally adopted, and only ten years later New England had 22 association buildings and 127 secretaries and other paid officers, while the annual expenditure of \$46,000 in 1877 had risen to \$233,000 in 1890. Thus the success of the association was evidently conditioned on the recognition of the entire man and the shaping of methods accordingly.

Since 1880 the growth of the association has been both rapid and solid. At the present time (1900) it has in North America 1429 local associations. Of these, 1233 report 228,568 members. There are nearly 400 buildings, which are valued at more than \$20,000,000 ; and the number of salaried officers is 1,275.

The varied and comprehensive work of the association has its source and governing head in the International Committee, which has its headquarters and a working quorum in

New York. It is composed of 45 members, who represent all parts of the country.

Of the "four-fold" work which now engages every association, the religious is first in importance. The young men's meeting, usually held Sunday afternoon, is conspicuous among religious agencies. Last year 60,000 such meetings were held, with a total attendance of over two and a half millions.

Educational work is being prosecuted more and more in evening schools, which now engage 1,200 teachers and give instruction to 25,000 different young men. There are 25 standard courses of study, and 50 studies are taught. Nearly 1,000 associations have reading rooms, and 800 have libraries with half a million volumes. Lectures, practical talks, literary clubs and debating societies supplement the educational work.

The aim in physical training is not to develop record-breaking athletes, but by a system of all-round training to produce symmetrical bodies and vigorous health. In addition to gymnastic work, there are outdoor athletics, cycling, boating, swimming and rambling, all under trained instructors.

Socially, the association aims to afford good companionship, healthful recreation and rational entertainments. The rooms are made attractive and homelike, and are supplied with music and games.

Practical service is rendered by the employment bureaus, 338 of which last year report more than 13,000 situations secured.

Many thousands of calls on the sick are made, and considerable relief work done, which, however, is confined to young men. The Bowery branch of the New York association reports 34,799 lodgings and 100,450 meals given in a single year.

Special efforts are made in behalf of different classes of young men, commercial travelers, lumbermen, miners, mill men, firemen, immigrants, soldiers, sailors, college students

and railroad men. There are 65 associations for the colored young men of the South, and 50 for the Indians.

The present work for railroad men began in 1872. There are now 151 railroad associations, with a membership of 32,000. These associations provide special agencies, in addition to those usually afforded, such as rest rooms, lunch counter, temporary hospital and instruction in first aid to the injured. These associations are "homes away from home."

The value of this work is shown by the fact that the rail-ways make an annual appropriation to it of over \$175,000, which does not include large sums given for buildings. The United States Interstate Commerce Commission characterizes it as "a work commending itself even on the most practical grounds of pecuniary self-interest."

The present intercollegiate movement began in 1877. There are now 550 student associations, having upwards of 30,000 members. Since its inception 23 years ago, this movement has led between 35,000 and 40,000 students into the Christian life, and more than 5,000 into the Christian ministry.

From this branch of the work have sprung many important outgrowths; among them, the Student Volunteer Movement, through which more than 1500 have already entered the foreign missionary field; also the World's Student Christian Federation, which was organized in 1895, and which brings into cooperative relations the Christian students of eleven national and international organizations.

On the outbreak of the Spanish-American war, the International Committee were quick to recognize a new opportunity, and within 60 days there were 60 trained secretaries among the soldiers, each with an association tent and a good equipment of books, magazines, home papers, music, games, conveniences for letter writing and the like; and before the close of the war there were 175 such secretaries in the field.

A well organized work is being carried on in the navy, and auxiliary associations are being formed on many of the United

States warships. A fine building is being erected near the Brooklyn Navy Yard. *

4) *The Young Women's Christian Association.* With the incoming of machinery many industries passed, one after another, from the home to the factory. If the industrial revolution drew the farmer's son to the city, it no less surely attracted his daughter also.

Losing the old employments of the home, young women knocked at many doors heretofore closed to them. The professions, the shops and a great variety of industries were gradually opened to them, and they, like their brothers, flocked to the cities. But their work in the factory, or office, or behind the counter, is done under conditions very different from those which prevailed in the home. There they had done a hundred different things, which had afforded variety to life, and training to the whole body. Moreover, their work had been done under the parental eye, and they were safeguarded by the home influence.

In the city their work, if not really unsanitary, is much more confined. They probably do one thing over and over again, which is unfavorable both to mental and physical development. Their employment forces upon them associations which may be neither agreeable nor wholesome. They crave society. They are exposed to many temptations.

Such needs—moral, intellectual, physical and social—on the part of many thousands of young women constituted the opportunity of the Young Women's Christian Association.

There are two organizations, one under the direction of the International Board of Women and Young Women's Christian Association; the other is a more recent organization, whose management is vested in a board of managers known as the International Committee. The associations of the

*For further information, see the monograph in this series devoted to the Young Men's Christian Association, to which the writer is indebted for many facts.

former are organized in the cities and towns which offer business opportunities to girls in stores, offices, mills and factories. The organizations of the latter are more commonly found in colleges and seminaries; and dealing more with students, they are less concerned with social betterment. We shall, therefore, confine our attention to the original organization, whose great object is to benefit working girls and working women.

The oldest association was organized in 1857. The number of associations affiliated with the International Board is 75. The basis of membership varies, but the managers and contributing members are not less than 75,000. The value of property and furnishings is about \$5,000,000. Twenty-two states and Canada are represented in the International Board.

The departments of work are boarding homes, vacation homes, restaurants or lunch rooms for women only, transient accommodations, traveler's aid work, educational work and religious work.

There are 37 boarding homes, which accommodate at one time not less than 2800. Terms per week vary from \$1.00 to \$5.50.

There are eleven vacation homes, which in the course of the summer receive as many as 3000 guests. Terms are from \$1.00 to \$4.00 per week.

There are ten restaurants or lunch rooms for women only. Not less than 500,000 meals are furnished in one year, at an average of eleven cents per meal.

Transient accommodations (open day and night) were furnished during the year to over 200,000, at from 25 cents to \$1.00.

In this day of running to and fro in the earth, the department of traveler's aid is one of the most needed and helpful. It sends association visitors to railroad stations and steamer landings, where they help, direct and save thousands of young women.

The educational department affords industrial, commercial, elementary, domestic and physical training. Over 50,000 have received instruction during the year.

In illustration of this department, glance at the educational work of the Brooklyn Association. It furnishes two courses in white sewing, six courses in dressmaking, five courses in millinery, four courses besides a normal course in cooking, a course in laundry work and one in nursing. In its commercial department it has 18 day courses and nine evening courses. It also furnishes instruction in German, French, art embroidery, and in singing.

Of course the library and reading room are important auxiliaries in educational work. The New York Association has a library of 27,000 volumes, which last year reached a circulation of 84,414. One of the delightful features is a circulating library of music, consisting of some hundreds of volumes.

The religious work includes Bible classes, Sunday services, King's Daughters' Circles, prayer league, family prayer and noonday services. "Religion," the president writes, "is the life, the inspiration, aspiration and lever. It is instilled by precept and example and permeates every department."

Associated with the International Board, there are also homes for children, for aged women, for aged couples, for invalids and incurables and for blind girls, together with retreats and hospitals.

5) *The Salvation Army*. Doubtless the most remarkable phenomenon in the religious world during the last quarter of a century has been the rise and growth of the Salvation Army. Organized in the slums of London, with the outcasts of society for recruits, and as poor as the twelve apostles, it had the magnificent audacity to enter on a world wide campaign; and in less than twenty years it had gone "from New Zealand right round to San Francisco, and from Cape Town to Nordköping."

This success, wonderful under any circumstances, was the more notable in that it was won with a class notoriously

estranged from the churches, and hopelessly beyond their reach. Out of the moral morass of the slum, pestilential with vice and crime, have come healing waters of social salvation. Surely the age of miracles has returned—moral miracles—for the Bedouin of the city, whose hand was against every man, human hyenas, who pitilessly devoured their fellows, have been transformed into apostles and martyrs, who are joyfully enduring privation and persecution that they may relieve misery and succor the perishing.

The story of the Salvation Army is too well known to need rehearsal. After a brief statistical statement of its social work in the United States*, the writer will attempt to point out the fundamental causes of its success.

There are in this country 700 corps and outposts, with 2600 officers and employees; 141 social relief institutions for the poor, with accommodations for 6000. There are 11,000 open-air and indoor meetings held weekly, with an average attendance of 2,200,000. There are fifty-two shelters for men and women; twenty-three cheap food depots; nineteen salvage brigades and workshops for the unemployed; eight labor bureaus; three farm colonies, having 1800 acres of land. In these colonies are 200 men, women and children. There are twenty slum posts with forty officers; fourteen rescue homes for fallen women, with accommodations for 360. A thousand girls have been helped permanently or temporarily. There are two children's homes for waifs and strays. The number of unpaid workers, most of them wearing the uniform, is 20,000.

Such facts and figures represent a many sided and far reaching work for human betterment. Its primary object is not to relieve want and wretchedness. The supreme aim of the Army has ever been salvation, as its name implies—the carrying of the gospel to the churchless and Christless mul-

*For these details I am indebted to Commander Booth-Tucker. For further particulars see Monograph No. XX. of this series.

titudes. Indeed, this was originally the sole aim of General and Mrs. Booth. Their object, therefore, was identical with the avowed object of the churches. The churches signally failed ; the Army as signally succeeded. It is worth while to lay one's finger on the causes of success and failure.

A prominent official of the Army writes : " The remarkable success of the Salvation Army cannot be attributed to any one thing exclusively, but to several, among which the following are the most important : 1. The genius and godliness of its founder. 2. The soundness of its gospel teaching. 3. The invaluable assistance the founder of the Army received from his wife and their children. 4. The wisdom of the methods employed. 5. The divine origin of the movement."

The personal equation is generally a large factor in any man's success. Be it far from the writer to depreciate the genius and godliness of General Booth. Without these he could not have succeeded. But thousands of his contemporaries are no less godly, and apart from his choice of methods and his remarkable organizing and executive ability, he has shown no genius peculiar to himself. His interpretation of the gospel is not exceptional. His orthodoxy is common to many denominations. Undoubtedly the Army owes much to the family of the General, but the family relationship was incidental. Many other movements have failed that had no lack of able and devoted helpers. And as to the "divine origin" of the movement: no one, surely, would claim that it was any more divine in its origin than the church which was founded by Christ himself.

Each of the above causes contributed, no doubt, to the success of the Army ; but no one of them, nor all of them together, can be said to account for that success. All of these, or like causes, have wrought together, within the churches, and without success. If we would learn why one attempt fails and another succeeds, we must ascertain what differentiates the one from the other.

Change the *methods* of the Army, substitute for them the ordinary methods of the churches, and it would lose its distinctive character and its unique power. It may be conceded that the Salvationists have a degree of faith and zeal, enthusiasm and self-sacrifice, which characterize no denomination in modern times ; but these virtues have shown with equal lustre in many individuals without being accompanied by any such success as has attended the efforts of Salvationists. The peculiar causes, therefore, of the Army's peculiar success must be looked for in its methods.

The Salvation Army is a protest against the conventional methods of the churches.

1. It is first of all aggressive. The churches ring the bell, open the door and say : "Come and be taught." The Master said : "Go teach." The Army waits for no one to come to it. Says Gen. Booth : "The foundation of all the Army's success, looked at apart from its divine source of strength, is its continued direct attack upon those whom it seeks to bring under the influence of the gospel. The Salvation Army officer, instead of standing upon some dignified pedestal, to describe the fallen condition of his fellow-men, in the hope that, though far from him, they may thus, by some mysterious process, come to a better life, goes down into the street, and from door to door, and from room to room, lays his hand on those who are spiritually sick, and leads them to the Almighty Healer." The Army thus makes nearly 3,000,000 visits from house to house in a single year.

2. Having gone to "the masses," the Army adapts itself to them and to their tastes. It finds men not only locally but intellectually and socially and spiritually. It uses their language, their music, their methods of thought. In its Pauline adaptation, it is all things to all men.

3. Going to men in such a spirit, the Army was sure to discover that they had bodies. The churches have, for hundreds of years, been preaching a gospel equally adapted to disembodied spirits. They have been seeking "souls."

And it was souls that General Booth was after, but he soon discovered that souls inhabit bodies, by which they are profoundly influenced, and through which alone, in many cases, they can be reached.

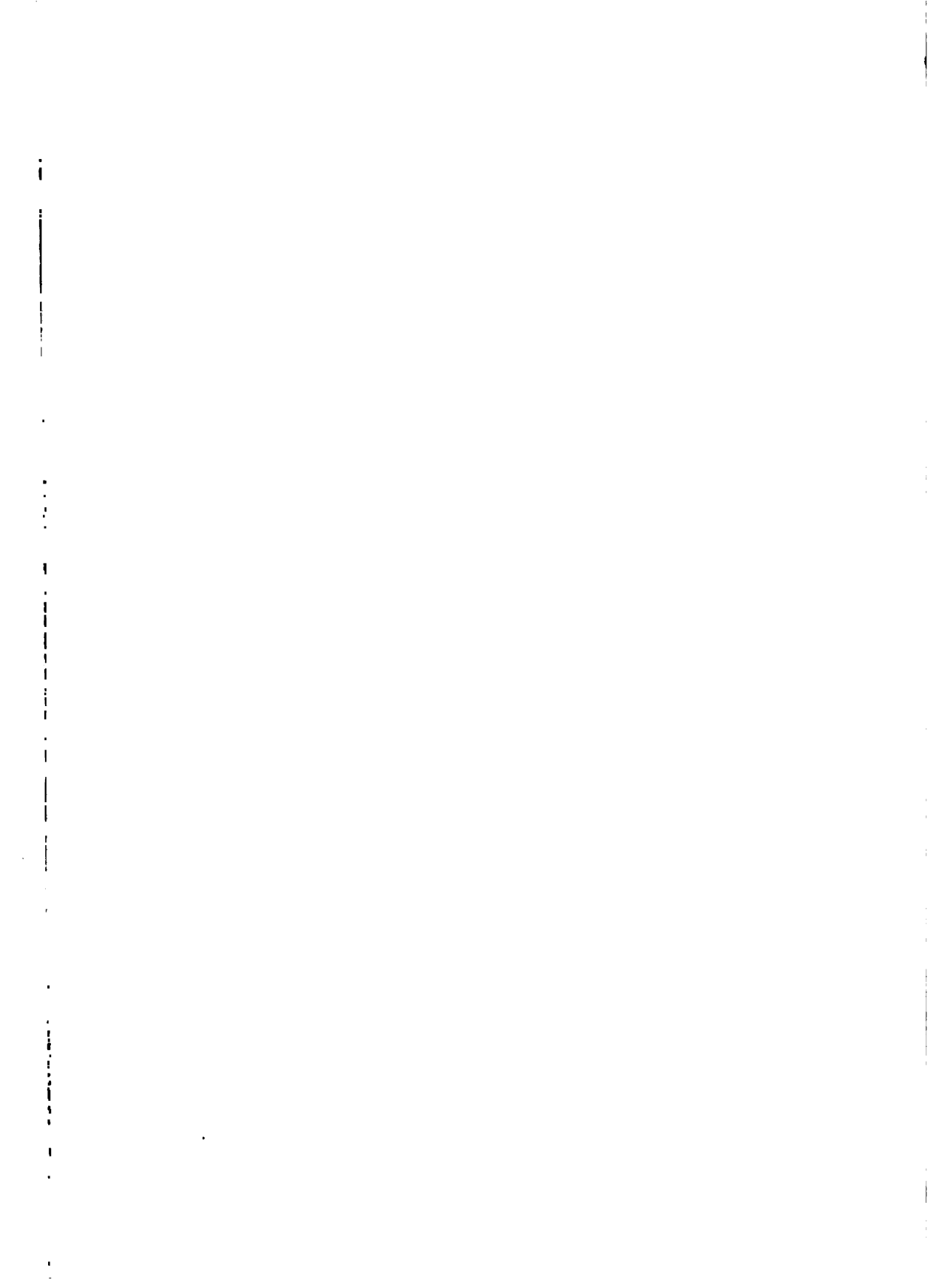
4. Having recognized the value of the physical factor in the great human problem, it was a natural and easy step to take environment into his reckoning ; and environment, which is commonly decisive in forming character, is precisely the factor which the churches commonly ignore.

Thus by breaking away from conventionalities, and intelligently adapting means to ends, the evangelist naturally becomes the philanthropist. Nor did he cease to be an evangelist. With all the emphasis which General Booth has learned to lay on physical conditions, he has never by one whit underrated spiritual values. His philanthropy and his religion are as perfectly united as are soul and body. Hence the Christianity of the Army is thoroughly philanthropic, and its philanthropy is thoroughly Christian. In this particular, as in the others enumerated, the Army made a wide departure from the churches, which have been careful to separate religion from philanthropy, and in so doing, they have put asunder what the Master joined together.

No attempt has been made to point out all of the marked characteristics of the Salvation Army. The four enumerated above seem to the writer to be the ones which fundamentally differentiate the Army and its work from the churches and their efforts, and to account for the fact that it has succeeded where they have failed.

Following these lines, the Army became a great power for social betterment. Thus again it appears, as has been repeatedly shown, that it is the religious organization or movement which does most for social betterment, that accomplishes most for moral and spiritual renovation.





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